

UNITED STATES DISTRICT COURT
DISTRICT OF MINNESOTA

FEDERAL TRADE COMMISSION, and

STATE OF MINNESOTA, by its Attorney
General, Lori Swanson,

Plaintiffs,

v.

SELLERS PLAYBOOK, INC., a
corporation,

EXPOSURE MARKETING COMPANY,
a corporation, also d/b/a Sellers Online and
Sellers Systems,

JESSIE CONNERS TIEVA, individually
and as an officer of SELLERS
PLAYBOOK, INC. and EXPOSURE
MARKETING COMPANY, and

MATTHEW R. TIEVA, individually and
as an officer of SELLERS PLAYBOOK,
INC. and EXPOSURE MARKETING
COMPANY,

Defendants.

CASE NO. 18JC2207 DWP/TM

FILED UNDER SEAL

PLAINTIFFS FEDERAL
TRADE COMMISSION'S
AND STATE OF
MINNESOTA'S EXHIBITS

VOLUME V

Px. 7

FTC-SP-000810 - FTC-SP-001024

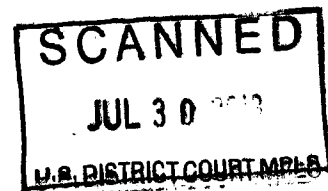


Table of Contents

Px. #	Exhibit Description	Bates Start Range	Bates End Range
Px. 7	Transcript of Sellers Playbook Training Workshop Day 3	FTC-SP-000810	FTC-SP-001024

PLAINTIFF'S EXHIBIT 7

1 OFFICIAL TRANSCRIPT PROCEEDING
2 FEDERAL TRADE COMMISSION
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14 ORLANDO SEMINAR - DAY 3
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PLAINTIFF'S
EXHIBIT
7

FTC-SP-000811

FEDERAL TRADE COMMISSION

I N D E X

RECORDING:

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Day 3 - Sellers Playbook Event

4

1 FEDERAL TRADE COMMISSION

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3 In the Matter of:)

4 Sellers Playbook) Matter No. 1823116

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7 May 20, 2018

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11 The following transcript was produced from a
12 digital file provided to For The Record, Inc. on May
13 21, 2018.

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1 P R O C E E D I N G S

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3 DAY 3 - SELLERS PLAYBOOK EVENT

4 (Pause while entering event.)

5 (Various background conversations.)

6 MR. TYNDALL: People are honest, you know.

7 It's good.

8 UNIDENTIFIED FEMALE: No (inaudible).

9 MR. TYNDALL: Oh.

10 MIKE SCHREINER: (Inaudible). I'm going to
11 show a video just to get our minds back into the mind
12 set we were in before we left here last night, and
13 then I'll come up and we'll get going.

14 (Video played.)

15 VIDEO: I don't know what that dream is that
16 you have. I don't care how disappointing it might
17 have been as you've been working toward that dream.
18 But that dream that you're holding in your mind, that
19 it's possible. Now, some of you already know that
20 it's hard; it's not easy. It's not changing your
21 life. But in the process of working on your dreams,
22 you are going to incur a lot of disappointment, a lot
23 of failure, a lot of pain, and moments that you are
24 going to doubt yourself and say, God, why, why is this
25 happening to me? I'm just trying to take care of my

1 children and my mother. I'm not trying to steal
2 (inaudible). I mean, why did -- why does it have to
3 happen to me?

4 For those of you that have experienced some
5 hardships, don't give up on your dream. The hard
6 times are going to come, but they have not come to
7 stay. They have come to pass.

8 (Video inaudible due to music playing.)

9 VIDEO: It's very important to believe that
10 you are the one (inaudible). Most people, they raise
11 a family, they earn a living and then they die. They
12 stop growing, they stop working on themselves, they
13 stop stretching, they stop pushing themselves. But a
14 lot of people like to complain, but they don't want to
15 do anything about their situation and most people
16 don't work for their dreams. Why?

17 One is because of fear, the fear of failure.
18 What if things don't work out? And the fear of
19 success. What if they do and I can't handle it?
20 These are not risk takers.

21 You spend so much time with other people,
22 you spend so much time trying to get people to like
23 you. You know other people more than you know
24 yourself. You study them, you know about them, you
25 want to hang out with them. You want to be just like

1 them. And you know what, you've invested so much time
2 in them, you don't know who you are. I challenge you
3 to spend time by yourself.

4 It's necessary that you get the losers out
5 of your life if you want to live your dream. But
6 people (inaudible) has a special kind of meeting.
7 Will you become the right person (inaudible) separate
8 yourself from people? You begin to have a certain --

9 (Video inaudible due to background
10 conversations.)

11 VIDEO: You will never ever be the best
12 copycat in the world, but you will be the best
13 (inaudible).

14 But everybody won't see it and everybody
15 won't join you and everybody won't have the vision.
16 It's necessary to know that. But you are an uncommon
17 breed. It's necessary that you allow yourself to
18 (inaudible) people to attract people into your
19 business who are (inaudible) and unreasonable, people
20 who are refusing to leave life just as it is and
21 (inaudible).

22 (Video inaudible due to music playing.)

23 VIDEO: The people that are living their
24 dream of (inaudible) to attach themselves to the
25 people that are living their dreams are the people

1 that know that if it's going to happen (inaudible).

2 (Video inaudible due to music playing.)

3 VIDEO: Someone's opinion of you does not
4 become your reality. You don't have to go through
5 life being a victim. Even though you face
6 disappointments, you have to know within yourself that
7 I can do this. Even if no one else sees it for me,
8 I'm going to see it for myself.

9 This is what I believe and I'm going to
10 (inaudible). No matter how bad it is or how bad it
11 gets, I'm going to make (inaudible).

12 (Video inaudible due to music playing.)

13 VIDEO: I want to represent possibilities,
14 okay? (Inaudible) right now (inaudible) you're going
15 to go to the next level (inaudible). I want to be
16 (inaudible). You can't get to that (inaudible). You
17 can't get to (inaudible) you really want to be until
18 you start investing in (inaudible). (Inaudible)
19 books. I'm telling (inaudible).

20 (Video inaudible due to music playing.)

21 MIKE SCHREINER: I'll be right back.

22 VIDEO: You become the person who you were
23 (inaudible) to be, designed for you (inaudible). Why?
24 Because you're not (inaudible).

25 (Video inaudible due to music playing.)

1 VIDEO: You can touch millions of people's
2 lives and the world will never be the same again
3 because (inaudible). Don't let nobody steal your
4 dreams. (Inaudible) face rejection (inaudible).
5 (Inaudible) says you can count on me (inaudible).
6 (Inaudible) again and again and again (inaudible)
7 reviewing (inaudible). It's not over until I win.
8 You can live your dream.

9 (Video ended.)

10 MIKE SCHREINER: So Michael Jordan was cut
11 from his high school basketball team. Oprah Winfrey
12 got fired from a TV station telling her that she
13 wasn't built for TV. In fact, Walt Disney got fired
14 from an advertising agency because they told him he
15 wasn't creative enough.

16 The story about Sylvester Stallone and Rocky
17 is one of my favorites. Does anybody know the story
18 how he wrote the movie, Rocky?

19 MIKE SCHREINER: Not how he wrote it, but
20 when he (inaudible).

21 MIKE SCHREINER: So what happened is
22 Sylvester Stallone his whole life knew he wanted to be
23 an actor. The problem was, when he was born, half of
24 his face was paralyzed. That's why he talks the way
25 he talks. Well, he kept saying and he kept saying, I

1 want to be an actor, I want to be an actor. His mom
2 finally put it to him when he was a teenager and said,
3 when are you going to stop saying and start doing.
4 He's like, you know what, fair enough.

5 So he moved out to California, started
6 getting roles here and there, little commercials, some
7 basement productions. Well, what happened at this
8 point, guys, he was an out-of-work actor. He had \$150
9 in his bank account. In one weekend, he watched a
10 fight between Ali and (inaudible). He sat down that
11 weekend and wrote the script to Rocky.

12 Now, he started selling his script. He got
13 an offer. His first offer was for a little over
14 \$150,000. He turned it down. Now, you got to
15 remember, this was in the mid to late-sixties, right?
16 160 grand? That's a good chunk of money. He turned
17 it down.

18 Now, before he got a second offer, he
19 actually ran out of money. They sold their dog so he
20 could pay his bills. He got a second offer for that
21 movie, a little over \$320,000. He turned it down. He
22 sold it a week later for \$34,000. The reason was, he
23 got to play Rocky.

24 Now, here's the thing, guys. He didn't look
25 like this. He had to become the fighter. In fact,

1 how many of you have seen at least the first Rocky
2 movie? Yeah, so you remember the scene where he's
3 running up the stairs with the dog, right? See, when
4 he sold it for the \$34,000, he took some of that money
5 and went and bought his dog back. That was his dog
6 running up the stairs with him.

7 Did it pay off for him, yes or no?

8 AUDIENCE: Yes, it did.

9 MIKE SCHREINER: Yeah, I mean, they went on
10 to make, what, 37 Rocky movies? I mean, they're still
11 making them, right? He made the Rambo series. I
12 mean, he's just gone on and on and on.

13 One of the reasons -- I actually have this
14 saying in my house. One of the reasons he put this in
15 the last movie, he talks about it all the time and he
16 says, it was interesting to him when he was telling
17 all these guys, all these other out-of-work actors
18 that he wanted to sell the script but he had to pay
19 the fighter. All these other out-of-work actors are
20 telling him, you're not, it's never going to happen,
21 nobody's going to let you do the main character.

22 And he kept telling himself, why in the
23 world am I going to let other losers tell me how to be
24 a winner? They weren't acting; they weren't writing
25 scripts, right? They were out of work just like he

1 was and they're giving him advice.

2 That goes back to what I was saying all
3 weekend, right? Who are we surrounding ourselves
4 with? Who are we letting influence our lives? When
5 we step forward, when we break our own chains, that's
6 when things happen. That's when success comes.

7 Look, last night I told you all that we
8 would be here as long as it took last night to make
9 sure all of your questions are answered. A lot of you
10 all hung out last night, a lot of good questions came
11 up. Some of the questions that came up, I want to
12 address in front of the room. The reason is, I know
13 if one person has that question, a lot of people are
14 going to have the same question. It just depends on
15 who asks it first.

16 So one of the questions that came up last
17 night, they said, look, I'm doing this. I just want
18 to know what's going to be sold to me after this
19 weekend. I thought that was a fair question. And the
20 reason was because when I went to my training, that's
21 exactly what happened, right? The first training I
22 went to, they said, all right, if you really want to
23 learn how to do this, you have to go to this training.
24 I was like, I thought this was that training, right?

25 Look, guys, understand, with us, our

1 advanced training is just that. Look, there is no
2 Wholesale 202, no Retail Arbitrage 303. Our advanced
3 stuff, guys, is all put forward, it's all training,
4 it's all (inaudible), it's all (inaudible). The only
5 thing you will ever be sold after this weekend is
6 product for your stores, and it's not from us. It's
7 from people that we already have a relationship with.
8 Other than that, it's pure education, it's pure
9 support, it's pure help.

10 Another question that came up last night is
11 someone said the timing, and I know I've heard this a
12 bunch this weekend. Guys, time is never on our side.
13 We make the right time. If we're waiting for the
14 right time, we'll be waiting around for a long time.

15 The only thing is, I just recommend, guys,
16 if there's something you want to do, let us know. Let
17 me ask you this. How many of you in this room have
18 said to you, to a friend, a spouse, somebody, that we
19 should really get involved in ecommerce? How many of
20 you said that five, six, seven months ago, maybe even
21 a year ago? Yeah?

22 So here's my question. If you don't do
23 something today, what are you going to say next year?
24 Right? Guys, time is never on our side. I just want
25 you to understand that. The only difference between

1 you and me is time and training. That's it. There's
2 really nothing special. All I did was I just followed
3 the program, guys. I didn't create it, I didn't
4 invent it, I just followed the program.

5 I encourage all of you if there's something
6 you want to make a difference, go for it. The
7 greatest thing about this business is what it allows
8 us to do, guys. If you want more (inaudible), right,
9 if you want more money to solve problems -- that's
10 what we are. We're problem solvers. If you want more
11 freedom, face your fears. Guys, fear is temporary;
12 knowledge is forever.

13 So if there's anything that you can do,
14 guys, the only difference again is time and training.
15 That's it.

16 One of my heros is Elon Musk. Does anybody
17 know who Elon Musk is? Oh, a lot of you guys, yeah.
18 He's awesome, right? So for those of you who don't
19 know, Elon Musk is Tesla, Solar City, SpaceX, all of
20 that. Well, his start -- him and his brother
21 developed Paypal. Now, they had so much time and
22 money invested in Paypal, they actually had to live in
23 the office that they were running that out of because
24 they couldn't afford to pay their rent.

25 Now, when they sold Paypal, they made a good

1 chunk of money. Elon, though, knew that wasn't his
2 final step. He wanted to continue to progress. So he
3 took all of his proceeds and did Tesla, SpaceX and
4 Solar City. Now, when I say all of his proceeds, he
5 actually had to borrow money to pay his rent after he
6 made these investments. Have those investments paid
7 off? Yes or no?

8 AUDIENCE: Yes.

9 MIKE SCHREINER: Huge, right? SpaceX right
10 now is leading. NASA is using SpaceX now to launch
11 their stuff into space, right? Tesla is one of the
12 fastest-growing car companies in the world. I mean,
13 it's incredible (inaudible). But, again, his vision
14 was clear. He had a system in place. Guys, that's
15 all it takes. So don't let your little bit of fear
16 just stop you. (Inaudible) here to help you.

17 All right. Today, we're going to spend a
18 lot of time talking about private label. By a show of
19 hands, how many of you in here want to do private
20 label? Okay. And by the end of the day, I guarantee
21 every hand will be up as well because of the rate of
22 return that comes with private label.

23 So when it comes to private label, there are
24 a couple things we've got to cover. We're going to
25 have to brand the products. So we're going to talk

1 about doing the brand. Improving products is a great
2 way to do private label products as well. (Inaudible)
3 do not always have to be invented. Here's the thing.
4 I am not the most creative person. So for me to try
5 to create something new, it just doesn't work with me.
6 But if I can fix a problem with a product that a lot
7 of people are already complaining about, then that's
8 what I want to do.

9 With the new private label, that's the
10 greatest thing about it is you can win the buy box 100
11 percent of the time. Now, when it comes to private
12 labeling, it's not just shipping that can be
13 expensive; it's going to be marketing as well. So
14 we're going to talk a lot about branding and marketing
15 strategies because we've got to get people to know
16 what we have to offer.

17 But here's the biggest reason why private
18 labeling is where you want to go (inaudible). So when
19 you look at your rate of return on these investments,
20 guys, this is with a \$10,000 investment at a 15
21 percent return, in one year, you'll turn it into
22 \$53,000. At a 30 percent return, you'll turn it into
23 \$232,000. At the private label level, if you're
24 making 50 percent returns, which is very conservative,
25 you're going to turn that same \$10,000 into a \$1.2

1 million return.

2 All of those numbers are very conservative,
3 guys, that we're talking about. But this is why I
4 said 1 percent over time can really be a million
5 dollars. So you, bare minimum, should be 15 percent.
6 But when we talked (inaudible) yesterday wholesaling,
7 you're going to make 15 to 30 percent. Private label,
8 you're making anywhere from 40 to 60. Like I said,
9 I've seen some of our private label people making over
10 70 percent return. But this is why it's such a big
11 deal because you're talking the difference between
12 53,000 versus 1.2 million. So it's a huge difference
13 in the rate of return.

14 I mean, again, these are very conservative
15 numbers. But this is not pie in the sky stuff either,
16 guys. This is actual numbers we're seeing with a lot
17 of our students and a lot of it is worst case. They
18 think they know what to do in one year of this
19 business. Let's just get started with it, but it's
20 just numbers. That's all that comes down to.

21 So when we talk about private label, there's
22 quite a few different ideas. So a perfect example of
23 private label products would be George Foreman grills.
24 How many of you by a show of hands know what George
25 Foreman grills are, right? Yeah. Now, did George

1 Foreman create the barbecue grill? Yes or no?

2 AUDIENCE: No.

3 MIKE SCHREINER: No, right. In fact, all he
4 did was put a spin on it, didn't he? What was the
5 George Foreman spin that he put on these grills?

6 AUDIENCE: (Inaudible).

7 MIKE SCHREINER: (Inaudible). No, well, he
8 said, you can clean inside, right, cook inside and
9 clean it. What else? The tilt, right? So it was
10 cooking all of the grease off of the grill, right?
11 How many of your barbecue? Okay. So when you
12 barbecue, where does the grease go? It goes off into
13 (inaudible), right? But, again, he spun it because
14 everybody knows grilling food is healthy, yes? So he
15 spun it. You can now cook indoors, look at all the
16 grease coming off.

17 Now, George Foreman is not the picturesque
18 of health, is he?

19 AUDIENCE: No.

20 MIKE SCHREINER: No, right? If you ask me,
21 he's a little punch drunk, right? But it worked,
22 didn't it? Now, here's the interesting thing, there
23 were two problems with his first series grill. Does
24 anybody remember the two problems that he had with the
25 grill?

1 AUDIENCE: (Inaudible).

2 MIKE SCHREINER: Huh?

3 AUDIENCE: (Inaudible) too small.

4 MIKE SCHREINER: Oh, it was small. But that
5 wasn't the biggest problem. Where did the grease go?

6 AUDIENCE: (Inaudible).

7 MIKE SCHREINER: Yeah, on the countertop,
8 right? So what they've got is a lot of people were
9 handling these electric grills over their sinks to
10 have that grease run. That's a good fit, right? The
11 other problem was the plates in the first series grill
12 didn't come out, so you couldn't clean them. Now, his
13 team was smart enough to fix those two things. So
14 they actually created a drip tray for that first
15 series grill. If they did not, we could step in and
16 create a drip tray for that grill, just like that.

17 That steam basket, right? I showed you that
18 one yesterday (inaudible) saw. That steam basket was
19 not created by Instant Pot. It was a private label
20 where somebody said, this was not created. So we
21 could have created a drip tray for that grill. It
22 would have been a whole new market. We could have
23 said it fits the George Foreman grill, not that it's
24 George Foreman's grill drip tray. You see what I'm
25 saying? So this is how we avoid any of those

1 confrontations.

2 Now, the second series -- they actually did.
3 So they released a drip tray and then they sold it as
4 an add-on. And then when they released the second
5 series, it had a drip tray and the removable plates.
6 But that's what I'm talking about. He didn't create
7 the grill. All he did was put a spin on it. That's
8 all we're looking to do.

9 In fact, another great example is Mission
10 Belt. Has everyone ever heard of Mission Belt before?
11 No? Okay, so those of who that watch Shark Tank,
12 that's where it actually got its big hit. So the
13 brothers are from Utah. So I know their story, I know
14 the brothers. What happened is the one brother was
15 huge; he was a big guy. Well, he started losing a ton
16 of weight. Well, what happens, he kept cinching his
17 belts up, punching new holes in that belt and then he
18 had these holes punched all the way around his belt,
19 right? So it was embarrassing. So they're like,
20 there's got to be a better way to do this.

21 Now, they did not create the belt. They
22 didn't even create -- I've been wearing Mission Belts
23 all weekend. It's the (inaudible) belt, so -- right?
24 So there's no holes, it just ratchets up. So they
25 didn't create that. The military has been using

1 ratcheting belts for eons, right? So all they did was
2 make it really nice leather, they branded it Mission
3 Belt, put nice (inaudible) on it and then they
4 marketed the heck out of it. In fact, they struck a
5 deal with Daymond John. Now, Daymond John is actually
6 a marketing guru. The only problem with Daymond John
7 is he (inaudible) so that's what Mission Belt found.
8 With that being said, though, they sold a ton of them
9 once they got that push.

10 So we are going to talk about different
11 branding, ways to do this. See Daymond John actually
12 got his start with a company called FUBU. Does
13 everybody know his story?

14 AUDIENCE: No.

15 MIKE SCHREINER: Yeah, so the interesting
16 thing about FUBU, FUBU was started in Oakland,
17 California. For lack of a better term, they were a
18 gang banger clothing. Daymond John stepped in as
19 their marketing guy, started branding it. Now, this
20 is how he knew he made it work. He was actually into
21 JFK, walking through the airport, saw a business guy
22 walking down the airport with a pair of FUBU jeans
23 on.

24 So when we talk about branding, that's what
25 we've got to do is we've got to get people's ideas

1 about what the product may be changed so that they
2 want those jeans. Does that make sense? It's the
3 same thing, guys. They didn't create the belt.
4 George Foreman didn't create the grill. All they did
5 was put a spin on those things. That's all you have
6 to do is put a spin on it, change it enough to make it
7 yours. Sometimes you don't even have to change it.
8 Sometimes it's just the branding.

9 So one of my favorite companies to talk
10 about -- and, again, I'm not promoting these guys, I'm
11 not promoting their product. I really like their
12 story. This is a company called Grillaholics. Now,
13 Grillaholics, what a brilliant name, right? Just
14 brilliant. See, what they did -- now, these guys
15 actually did create a new product line. What they did
16 is they created a grilling mat. Does anybody know
17 what grilling mats are? You guys know what I'm
18 talking about, right?

19 So it's a mat that goes on your barbecue
20 grill. The guys that created this, the reason they
21 created it is they were big chicken cookers, they
22 grill a lot of chicken, so I grill a lot of chicken as
23 well in my family, but they also were big skewer guys.
24 Does anybody use skewers here? Okay. So what's the
25 biggest problem with skewers on barbecue grills?

1 Yeah, everything falls through, right? Stuff cooks
2 off, right? The vegetables can fall through the grill
3 and you're losing your food.

4 So they created a mat that would go on top
5 of the grill, you could put all your food on it,
6 nothing's falling through and nothing sticks. Now,
7 they did create a new product line. So in October --
8 excuse me, in October of 2014 is when they created
9 that grill mat. Now, they did a huge promotional push
10 for that grill mat. They were smart, too, because
11 they got other people to promote it for them. But
12 they didn't want to be just a one-hit wonder.

13 So in July of 2015, they launched a second
14 product which was Meat Claws. So what Meat Claws were
15 or are is they're a handle with these plastic claws
16 that (inaudible). Does anybody smoke meats? Yeah.
17 We're huge Traeger -- I have two Traegers. I love
18 smoking meat. But you all know using your fork and
19 stuff, you will shred that stuff. That's what those
20 claws were made to do.

21 Now, they changed the handles a little bit,
22 but those claws have been around as well. So they
23 came out with those Meat Claws. You can shred your
24 meat, you can toss your salad, you can do whatever you
25 want with them.

1 And then later that same year, in November
2 2015, they launched a meat press. So it was a three-
3 part press. You put the hamburger in there and you
4 smash it down and make a pocket, and then you could
5 put cheese, bacon, onions, whatever you wanted, and
6 then you put the top on it and now you have a stuffed
7 burger. So they created a stuffed burger press.
8 Again, not new, there was other companies that had it,
9 but they branded it Grillaholics.

10 Now, what they did do phenomenally was that
11 push on the grill mat. They got Rachel Ray to promote
12 the grill mat. Now, if you're creating a new product
13 line, that's really the kind of marketing you want to
14 start doing after. If we're just tweaking certain
15 things, we don't have to go after it that hard. But
16 they were brilliant because they didn't just stop at
17 one product, right?

18 And those of you who watch Shark Tank, you
19 hear it all the time. That's one of the biggest
20 complaints that the sharks always tell these guys,
21 you're not a company, you are a product. Right? They
22 don't want just one-trick ponies, do they? Because a
23 product will not make you wealthy. It will get you
24 some money, but it doesn't make you wealthy. So they
25 went after multiple lines.

1 Now, this is the cool part about it, here is
2 their Amazon store. Now, look at this, those brushes
3 they didn't invent. In fact, you can buy brushes like
4 that at Home Depot. All they did was brand it
5 Grillaholics. Who wouldn't want a barbecue set that
6 says Grillaholics on it, right? Because they
7 (inaudible) that barbecue set, guys. None of that is
8 new, right? There are hundreds of thousands of
9 barbecue sets out there. But, again, they branded it
10 Grillaholics. So that's their grill mat. They did a
11 basket. That's the meat claws. So, again, only one
12 or two products were really theirs. Everything else
13 they just branded Grillaholics.

14 Do you think it's working for them? Yes or
15 no? \$104,000 a month profit. Now, half of that
16 really is coming from the mat. The thing about it,
17 guys, if we don't create something new, that means
18 57,000 profit every single month is coming from the
19 other products that all they did was brand. So the
20 story being you don't have to create new products;
21 it's all about branding it and the promotion that
22 we're doing (inaudible). Because now anybody who
23 types in Grillaholics, they're going to their site.

24 (Inaudible). Do you think Grillaholics has
25 their own website? Yes or no?

1 AUDIENCE: (Inaudible).

2 MIKE SCHREINER: Yes. When you create a
3 private label or a white label line, do you want to
4 create your own website? Yes or no?

5 AUDIENCE: Yeah.

6 MIKE SCHREINER: Yes. Do you want people
7 buying from our own websites versus buying on Amazon?
8 Yes or no?

9 AUDIENCE: Yeah.

10 MIKE SCHREINER: Why?

11 AUDIENCE: More profit.

12 MIKE SCHREINER: Yeah, way more profit. We
13 don't have to pay Amazon fees, right?

14 AUDIENCE: Right.

15 MIKE SCHREINER: And we can sell pretty much
16 anything we want on our own websites. Now, here's the
17 thing I'll tell you, you cannot drive Amazon customers
18 to your website from your Amazon store. Amazon will
19 not stand for it. Because in all reality, it's
20 Amazon's customers. So they will not allow you to
21 drive their customers to your website.

22 Now, there are ways we can do it and there's
23 ways we can get around it, and I'll show you some of
24 those ways. You have to be very careful in your
25 marketing on Amazon. Now, the interesting thing that

1 I found, I found a lot of people visit our website and
2 then they go back to Amazon and buy the product from
3 Amazon anyway. Why?

4 AUDIENCE: (Inaudible).

5 MIKE SCHREINER: Trust, right? They don't
6 know us from Adam. But they knew Amazon. They
7 guarantee two-day shipping and you know if there's a
8 problem with the product, Amazon will definitely take
9 care of it. Do I care if they buy from my website or
10 Amazon? No, I just want them buying, right? So I
11 don't really care. So we'll show you how to start
12 tying those together as well.

13 But you just cannot drive your customers
14 from your store on Amazon to your private website.
15 You've got to be very careful. There are strategies
16 that I'll teach you guys this weekend that we can use.
17 When people buy on our Amazon store, what information
18 do we collect? What information can we collect from
19 them?

20 AUDIENCE: (Inaudible).

21 MIKE SCHREINER: So if somebody buys -- when
22 people buy from my Amazon store, what information of
23 theirs do I get?

24 AUDIENCE: (Inaudible).

25 MIKE SCHREINER: Email. All I get is an

1 email, period. So there's ways that we do something
2 called drip marketing, and I'll talk about that later
3 this afternoon. It's how we can use that information
4 to market to them, but we cannot market our websites
5 on our Amazon store.

6 So do you remember what I -- when I showed
7 you guys (inaudible) signing up for your (inaudible),
8 right? (Inaudible) account. They'll ask you if you
9 have a website. So they can list your website, but
10 nowhere in the marketing on Amazon can you say, go to
11 our website.

12 But let me ask you this, though -- yes,
13 dear?

14 AUDIENCE: I'm just curious, when you said
15 the -- you said sometimes you send your own little
16 personal note.

17 MIKE SCHREINER: Right.

18 AUDIENCE: Can that say the website?

19 MIKE SCHREINER: Yeah, and we'll talk about
20 that (inaudible). And here's the thing, too. How
21 many of you here, by a show of hands, have bought
22 something on Amazon and right after you bought it, you
23 got an email to give a review on the product? Have
24 you guys seen that, right? What was (inaudible) said
25 in the email, though? Does anyone remember?

1 AUDIENCE: (Inaudible).

2 MIKE SCHREINER: Because a lot of times
3 those emails will say, if it's an educated investor,
4 it will say, hey, thank you for purchasing our
5 product. If there's a problem with this product,
6 please contact us directly. Here's an email, here's a
7 phone number, here's our website. And then it will
8 say, please leave a review. Yes?

9 Can we do that? Yes or no?

10 AUDIENCE: Yeah.

11 MIKE SCHREINER: Yeah, yeah. For me, when I
12 get emails like that, I know they're educated. And
13 the reason is is because we're not only trying to get
14 the reviews because on private label products, guys,
15 look, the only way on private label products that we
16 can validate ourselves as a real business or a real
17 store, we have to show sales. But we also have to
18 have reviews. So we want to drive that traffic
19 through reviews, right?

20 Now, here's the thing, I can say, please
21 visit us if there's a problem. Now, when do you
22 generally get those emails for the reviews? You get
23 them right after you purchase it?

24 AUDIENCE: After you receive it.

25 MIKE SCHREINER: Yeah, it's usually after --

1 sometimes you'll get it right after you purchase it,
2 though, right? That's how I know they have no idea
3 what they're doing because if I get it right after I
4 purchase it, I'm not going to get the product for
5 another two days. Do I -- then am I going to go back
6 and try to find an email to send a review? Yes or no?

7 AUDIENCE: No.

8 MIKE SCHREINER: No. So here's what you do:
9 The same auto-responder program that we use when
10 people have a question or a comment about it, right,
11 it sends an automatic (inaudible) out. It's the same
12 thing. As soon as I get notification that the product
13 was delivered to my customer, then that automatic
14 program sends out a notification that says, hey,
15 you've gotten the product -- now it's usually a day or
16 two after they got the product -- thanks for
17 purchasing our product. If there's a problem with
18 this product, please contact us directly. Please go
19 on and leave a review and let us know what you thought
20 of the product.

21 If I don't get a review after that first
22 email, I send another one a week later. Have you ever
23 seen that? Yes or no?

24 AUDIENCE: Yeah.

25 MIKE SCHREINER: Yeah, and that's -- that's

1 what I mean, right? These guys are doing that because
2 they're educated. They know to send out that second
3 email because we want to drive people to do it. In my
4 mind, the way I look at it, if I get a second email,
5 in my mind (inaudible) they're going to keep sending
6 these emails until I send that review. So I'm going
7 to get on and do a review, right? So it's the same
8 thing. I do the same thing (inaudible).

9 AUDIENCE: (Inaudible) can you market on
10 social media (inaudible) show your product with your
11 private label and then (inaudible) your Amazon
12 (inaudible)?

13 MIKE SCHREINER: Hey, absolutely. And you
14 want to, too. (Inaudible). Look, I know some of you
15 in this room may be fighting social media, right?
16 Some of you guys want nothing to do with Facebook,
17 Instagram, Snapchat, FaceSwap, right, all of those
18 stupid things that are out there. But when it comes
19 to our business, you've got to use them.

20 How many of you found out about this
21 training through Facebook or Instagram? It works,
22 guys. We just have to work it for the right reasons.
23 So when you're talking about social media, we're not
24 usually going to show pictures of our food, right, or
25 pictures of our shoes. Now, here's the thing. You

1 will never see me market my products on my personal
2 Facebook page. Remember, anonymity in this business
3 is key. I don't want people to know it's my store. I
4 don't want people to know it's my product. So we set
5 up separate Facebook accounts, Instagram accounts for
6 our business.

7 Now, I'll put stuff on my Facebook
8 (inaudible) I just bought this product and it's
9 awesome. Check it out. But I'm not saying it's my
10 product.

11 AUDIENCE: (Inaudible).

12 MIKE SCHREINER: You can have -- you can
13 have a ton right now. Yeah, you can have multiple,
14 absolutely.

15 So, but again, guys, we're talking
16 (inaudible). We've got to get that marketing out
17 there. So we're going to spend a lot of time on
18 marketing as well. But, again, the biggest reasons
19 why, huge potential markup. You control (inaudible).
20 You decide who sells your product or not.

21 Now, here's the thing, I mentioned this
22 earlier. Amazon is actually promoting more private
23 label product lines than they are the originals. Why?

24 AUDIENCE: (Inaudible).

25 MIKE SCHREINER: Huh?

1 AUDIENCE: (Inaudible).

2 MIKE SCHREINER: I can't hear you.

3 AUDIENCE: Are they (inaudible)?

4 MIKE SCHREINER: It's not that they're
5 selling better.

6 AUDIENCE: (Inaudible).

7 MIKE SCHREINER: No, they don't care about
8 (inaudible).

9 AUDIENCE: (Inaudible).

10 MIKE SCHREINER: No.

11 AUDIENCE: (Inaudible).

12 MIKE SCHREINER: No.

13 AUDIENCE: (Inaudible).

14 MIKE SCHREINER: Uh-uh. Here's the biggest
15 reason, guys. Remember, I told you a lot of times
16 when people are doing private label products is
17 they're finding a problem with the original and
18 they're fixing it. So if Amazon can now sell a
19 product that's been fixed, they don't have to deal
20 with the returns or the customer complaints.

21 Perfect example, how many of you have kids
22 that bought those indoor double-winged helicopters?
23 Anybody buy those, those little RC helicopters, right,
24 those little flying helicopters? What's the biggest
25 problem you think happens with those helicopters?

1 AUDIENCE: (Inaudible) break (inaudible).

2 MIKE SCHREINER: Yeah, they break, right?

3 As soon as they -- my kids went through so many of
4 those things. They were flying into walls and into
5 the Christmas tree, right? They were breaking
6 (inaudible). Now, the company's response was selling
7 more blades. So they would sell the replacement
8 chopper blades, so as soon as you break them, you
9 could replace them.

10 There was a private label guy that came out
11 with (inaudible) helicopter. Now, those blades are
12 spinning really fast, so they're still going to break,
13 right? So they still sell replacements, but that
14 caged helicopter now, when it flew into the wall, it
15 would just bounce off the wall and fly (inaudible)
16 everywhere else. My kids went through dozens of those
17 things. Those caged helicopters, I'll tell you right
18 now, outsold the original helicopter four to one.
19 Again, with one little stupid fix.

20 Okay. So we talk about -- think about stuff
21 you bought recently. You're like, man, this could be
22 better because that's what we're doing, guys, we're
23 fixing them (inaudible) create them. But you get the
24 same technology (inaudible) get to protect the chopper
25 and the original company never did. (Inaudible) well,

1 we'll just keep selling replacement blades, and people
2 were buying them, right, because everyone was flying
3 into walls. (Inaudible) flew it into the wall
4 (inaudible). Make sense?

5 All right. So you want to do that. So the
6 first thing we've got to do is to be able to identify
7 products, and I'll show you how we do that as well.
8 And we've got to research the steps. So just because
9 an idea of the product or a way to make the product
10 better, if it's not selling, even if you better it,
11 it's not going to change people's buying habits,
12 right? If nobody is buying it, just because you did
13 something different, they're still not going to buy
14 it.

15 Then we'll talk more about our shipping,
16 whether domestic or overseas (inaudible). How
17 (inaudible) brand awareness, how to drive our traffic.
18 So we'll go through all of that step by step.

19 So let's start with identifying the product.
20 So that's one of the biggest things. So the same
21 strategy I taught you guys yesterday (inaudible) to
22 find out what people are buying today, it's the same
23 strategy we're going to use when we start doing
24 private label. What we want to now start looking at
25 is for problems or questions that are consistent with

1 the same product. Find out what their complaint is
2 because, again, a lot of these companies, if they're
3 selling 5,000 a month and then they get 1,000 people
4 complaining about one thing, they're not going to
5 change their business model because in their mind it
6 still works, right? (Inaudible) 1,000 people,
7 especially if it's the same consistent problem that
8 they had.

9 So I told you guys how (inaudible) we did a
10 live search and we found that there was a suitcase
11 that the biggest complaint was cost. Everyone loved
12 the bag, but everybody complained about the cost. So
13 if that's (inaudible) something I wanted to go into is
14 suitcases, I would have found a manufacturer that I
15 could have gotten that price down for the same
16 quality. Because then that's what I would have sold,
17 the bag is cheaper for the same quality.

18 So when you see a consistent thought -- and
19 you guys know what I'm talking about when it comes to
20 complaints, right? In fact, I'll show you. I think I
21 (inaudible) last night. I'd have to show you
22 (inaudible).

23 So it's interesting when you go to the
24 customer reviews section, it will give you -- so on
25 this product there's K'NEX. Do you guys know what

1 K'NEX are?

2 AUDIENCE: Yeah. (Inaudible).

3 MIKE SCHREINER: Yeah, kind of like Legos,
4 but they're big old plastic things you can build all
5 sorts of stuff out of, right? So even if you look
6 here, guys, 54 positive reviews, 21 critical reviews.
7 So even on a product that's just built to be what it
8 is, right, I mean, they're just already put together,
9 and that was some of the things. So you've got 54
10 people are saying it's awesome and 21 people still
11 saying that it sucks.

12 So this is what I mean by when you start
13 working your own business, guys, you've got to take
14 (inaudible). You're not going to make everybody
15 happy. Because when I read through the K'NEX -- my
16 kids (inaudible). My 14-year-old has probably got
17 seven sets of this stuff. But with the K'NEX, that's
18 the thing, though, is people were complaining, oh,
19 it's hard to put together, it's hard to follow. It's
20 supposed to be. That's what it is. It's a technical
21 (inaudible). And people were buying it knowing that
22 and then they complained about it.

23 All right. So, listen, you've got to take a
24 lot of this stuff with a grain of salt. There's a lot
25 of crap out there that people put online to complain

1 about stuff and they did it themselves.

2 Now, here's the great thing with Amazon,
3 though. They don't let people get on and complain.
4 They had to have purchased the product. To me, that's
5 awesome. Because if I'm getting a complaint on my
6 products, then it means somebody bought it. Now, if
7 it's something like this where they're just
8 complaining that it was hard to put together, well,
9 there's nothing I can do, right? Hey, sorry you
10 bought it. (Inaudible) it was hard to put together
11 and (inaudible). You've got to pay attention to that
12 stuff. So nobody can get on and just complain like
13 they (inaudible) online.

14 When you get on the internet, people can
15 piss and moan about anything, they don't even have to
16 buy the product, right? In fact, there was a guy that
17 was causing a big problem in -- excuse me, in Atlanta,
18 huge (inaudible). He was going out to (inaudible)
19 like complaining about it. It was this huge social
20 uprising, all of this stuff he was doing. Come to
21 find out, that guy was doing the complaining never
22 even bought (inaudible) truck. His buddy bought the
23 (inaudible) truck and (inaudible).

24 At any rate (inaudible). He never even
25 bought the truck (inaudible). So that's (inaudible).

1 But this one in here said it was missing
2 some pieces, I get it. But if that's you and we're
3 sending the K'NEX (inaudible) and you're missing
4 pieces, we can take care of it, I can just send you
5 extra pieces. It's not a big deal. But people are
6 going to complain.

7 So (inaudible) stuff we want to look at
8 here. So (inaudible) look at it, guys, we do go to
9 the question of questions and answer regarding
10 customer complaints and reviews. If you see a
11 consistent complaint against one product and nobody's
12 fixing it, much less if the manufacturer is not doing
13 anything about it, that's something we want to start
14 looking at and taking advantage of. Does that make
15 sense? Yes?

16 AUDIENCE: (Inaudible).

17 MIKE SCHREINER: Excuse me. All right. So
18 we want to look at the flow of this. (Inaudible)
19 problems with it. If it's something we can fix, we go
20 for the fix. Again, even if it's (inaudible) 1,000
21 people complaining about it, we fix what the 1,000
22 people are complaining about, what else are we going
23 to capture. (Inaudible). Well, because, again,
24 people want to buy the upgraded phone. That's why the
25 (inaudible) telephone helped (inaudible). So we need

1 to (inaudible) entire marketplace.

2 Think about what (inaudible) that product
3 had (inaudible), right? Like drip trays, steam
4 baskets, those types of things. Now, if (inaudible)
5 guys, you do not have to patent these products. And
6 hear when I say this, patents are expensive and they
7 take a lot of time. For small patents, they're
8 anywhere from \$15,000 to \$25,000. I got a friend and
9 he's a patent attorney, that's what he does for a
10 living. They're not cheap and they take time to do.

11 Most product lines we don't have to patent
12 unless you develop a brand new product. The grill mat
13 got a patent, right? So some of the stuff (inaudible)
14 is, but 99.9 percent of the products, you don't have
15 to patent. Because if someone else is going to make a
16 drip tray and they're going to try to (inaudible)
17 because we're already ahead of the game, we did that.
18 Does that make sense?

19 In fact, I'll tell you (inaudible) right now
20 what we're working on. I can tell you because we've
21 already started the process. Has anyone in here ever
22 played or seen the game (inaudible)? (Inaudible).
23 Yeah, you know, so what it is, it's a (inaudible)
24 game. So you've got (inaudible) and you've got a
25 ball. You can play with two or four people and you

1 hit the ball (inaudible) back and forth, back and
2 forth. (Inaudible) got. We've got a couple at the
3 cabin, we've got a couple at home. They love playing
4 it. Well, it was funny because they (inaudible).
5 (Inaudible).

6 So (inaudible). So if there's a way that
7 you could get that (inaudible) to kind of rotate as it
8 got hit so it changed the direction of the ball every
9 time you hit. (Inaudible) find a way to make that
10 happen. Now, we want (inaudible) at a spike ball. We
11 have to change the entire name if we're going to
12 change the entire product. But that's the thing.
13 Just (inaudible) what did you like about it, what
14 didn't you like, what do you think is missing with it,
15 what is the problem with it. And if no one is going
16 after that stuff, that's what you should go after.

17 AUDIENCE: (Inaudible) come across
18 (inaudible).

19 MIKE SCHREINER: Because I'm changing it
20 enough that it's not the same product and I'm making
21 (inaudible). It's going to be (inaudible). So
22 (inaudible) drip trays (inaudible) because we're not
23 patenting that stuff. Because no one else is going to
24 do it because (inaudible) already (inaudible).

25 AUDIENCE: (Inaudible).

1 MIKE SCHREINER: Right, but that's the
2 problem with (inaudible), too. (Inaudible) a metal
3 (inaudible). So the whole thing is going to be
4 completely different. They can't patent a trampoline.
5 You can't patent (inaudible). I mean (inaudible). So
6 they're going to have to make (inaudible) because it's
7 a whole new product line. So that's what I'm saying
8 is don't get so concerned about that stuff.

9 Now, if you're going to build something
10 that's the same and then call it that, then you're in
11 trouble. But we're not calling it (inaudible). I
12 mean, it's always -- how many of you have had that
13 thought where you're like, man, somebody just came out
14 with (inaudible) and you're like, I thought of that
15 years ago? That's why you need to start working on
16 it, guys. If you have an idea, start investigating.
17 See (inaudible), see if (inaudible) that stuff.

18 And like I said, private label (inaudible)
19 this is not where you're going to start, right? Now,
20 some of you are already (inaudible) and they're going
21 to be able to jump in a little quicker. But it's
22 going to -- it takes time and money to develop these
23 things. So that's what I'm saying is in the
24 beginning, you want to start with (inaudible) go and
25 get that money coming and then we'll (inaudible).

1 AUDIENCE: (Inaudible). I'm in the car
2 driving (inaudible) front seat and she's telling my
3 sister that she wants to do (inaudible). (Inaudible)
4 stupidest thing (inaudible) which we never did it and
5 then all of a sudden (inaudible).

6 MIKE SCHREINER: (Inaudible).

7 AUDIENCE: So I'm just -- that's why I'm
8 here, you know (inaudible).

9 MIKE SCHREINER: Well (inaudible) just
10 released and I had that same idea last year.
11 (Inaudible) why didn't you do that? Yeah, a lot of it
12 is people just don't know how and (inaudible) again,
13 it takes time and money, right? So (inaudible) you
14 can't do it. But that's what I'm saying, a lot of
15 times it's just tweaking things (inaudible) not that
16 creative, all right? But it's just (inaudible) and
17 stupid problems that nobody else is going after that
18 makes a product (inaudible).

19 Any more questions?

20 (No response.)

21 MIKE SCHREINER: All right. So let's talk
22 about where do we source. Now, I will tell you guys
23 when you start (inaudible) manufacturers here in the
24 States, it is expensive. But the reason is because it
25 follows all the guidelines, all the manufacturing

1 codes. So we do (inaudible). If you're (inaudible)
2 you have to be up to code. Amazon won't sell stuff
3 that's not (inaudible) anybody else.

4 So here's the cool thing about it. When you
5 start creating a private label line, brick and mortar
6 stores are going to want to pick your lines up.
7 Grillaholics is now in Target (inaudible), JCPenney's,
8 Sears (inaudible). They're in every major store,
9 right? Do we want brick and mortar stores to pick up
10 our product lines? Yes or no?

11 AUDIENCE: Yes.

12 MIKE SCHREINER: Absolutely. It's not what
13 we (inaudible) but (inaudible) brick and mortar store
14 (inaudible) making it happen and it's expensive a lot
15 of times to get a brick and mortar (inaudible). But
16 if they're going to pick us up, we want them to have
17 it.

18 Now that brings this (inaudible). When you
19 develop private label lines, guys, you have to develop
20 a UPC code for that product. If it's a new product,
21 you have to have a UPC code for the product. Now,
22 you'll also get (inaudible) for that product as well.
23 You do not assign the (inaudible) to the product.
24 Amazon assigns (inaudible) to the product. But we
25 have to have a UPC code for it.

1 And here's what they're going to tell you.
2 Last summer, it was the beginning of the summer last
3 year, the FCC and the FTC closed down three different
4 companies because they were selling false and fake UPC
5 codes. So don't try to get cheap when it comes to
6 those codes. Make sure you've got a company that
7 (inaudible). Because you have to understand, these
8 are a national thing.

9 I don't -- if I scan this misting water
10 bottle here in Florida, it comes up (inaudible),
11 right? If I scan this in Utah, the same water bottle
12 (inaudible) in Florida. It's a national database that
13 these go into. And it was a problem, those guys were
14 selling UPC codes that weren't supposed (inaudible).
15 You then (inaudible) and buy a UPC code and you send
16 it to Amazon and they scan it and (inaudible) you have
17 to now go back and get that (inaudible). See what I'm
18 saying? So make sure you've got a great company that
19 can do it (inaudible). Those three companies got shut
20 down last year because they were selling fake ones.
21 And you have to have a UPC code for a new product.
22 That's the only way (inaudible). (Inaudible).

23 So a lot of times, when you get a list of
24 manufacturers, they have in-house whether they do a
25 UPC code or (inaudible). And, again, they're not

1 cheap but it's (inaudible). Overseas, again, it is
2 cheap, but there's more hassle and we'll talk about
3 even more so with that today. So if you're going to
4 go overseas, make sure you've got somebody that can
5 (inaudible), right? Those of you (inaudible). So
6 you'll have access to (inaudible) for you. But if
7 you're going to go on your own, get somebody over
8 there that speaks the language that can do it on your
9 behalf.

10 But I'm telling you guys right now, if you
11 (inaudible) and they will (inaudible). And then,
12 again, make sure that (inaudible). We talked about
13 that yesterday, yes? Right? So make sure
14 (inaudible). (Inaudible) manufacturer (inaudible) if
15 you go domestic or international. It's not what they
16 do (inaudible) because they'll do it. They'll supply
17 a manufacturer (inaudible) percent off the top. That
18 doesn't sound like a lot, but it is when you're
19 talking about (inaudible).

20 So I want to go through a few of these and
21 talk about (inaudible) everybody in here knew so much
22 about (inaudible). So I want to show you guys how you
23 can (inaudible) because, again, they're not
24 necessarily bad, but you've got to be careful
25 (inaudible). Now, I don't care if you go

1 international, I don't care if you go domestic, guys.
2 When it comes to manufacturers, we need to verify and
3 validate everything that's (inaudible). (Inaudible).
4 (inaudible) never ever ever ever (inaudible) ever
5 never ever never ever buy a product without getting a
6 sample. Period. I don't care if you have to pay for
7 the sample. Never ever (inaudible) guys, until you
8 get a sample. Underline it, score it, highlight it,
9 never ever (inaudible) do it. But always get a
10 sample.

11 AUDIENCE: (Inaudible). How do you know
12 that what you're getting isn't already (inaudible)
13 Amazon (inaudible)?

14 MIKE SCHREINER: (Inaudible).

15 AUDIENCE: Like, for example, I (inaudible).
16 Like how do I go about (inaudible).

17 MIKE SCHREINER: All's you got to do
18 (inaudible) anyway. (Inaudible). As long as you have
19 (inaudible) then Amazon has to assign (inaudible).

20 AUDIENCE: (Inaudible).

21 MIKE SCHREINER: Because as soon as you have
22 that UPC code, then Amazon attaches an ASIN number to
23 that code. So there's not going to be another ASIN
24 that's going to be attached to that. Make sense?

25 So let's talk about (inaudible), guys. So,

1 again, it's not that they're bad, but you have to
2 validate them because they (inaudible) the items
3 (inaudible). But, again, you can get (inaudible) from
4 these guys, you just have (inaudible).

5 AUDIENCE: (Inaudible). Do you remember
6 Hurricane Andrew?

7 MIKE SCHREINER: Uh-huh.

8 AUDIENCE: Okay. I bought 14 containers
9 from South America (inaudible). I got a different
10 sample. It was (inaudible). It was white. The
11 samples that I chose, when I got those 13 containers,
12 were not the same. So (inaudible). So I lost tons of
13 money in that deal. Just because you get a sample
14 doesn't mean they're going to ship that exact product.

15 MIKE SCHREINER: (Inaudible). (Inaudible)
16 samples and they send me crap (inaudible).

17 AUDIENCE: Yeah, but (inaudible) --

18 MIKE SCHREINER: (Inaudible). You should
19 have gone after them. (Inaudible).

20 AUDIENCE: South America.

21 MIKE SCHREINER: (Inaudible).

22 AUDIENCE: Okay. (Inaudible).

23 MIKE SCHREINER: (Inaudible).

24 AUDIENCE: It's very hard to get them to
25 come back.

1 MIKE SCHREINER: If you go (inaudible).

2 AUDIENCE: Well, okay, I agree with that.

3 MIKE SCHREINER: Yeah. I don't (inaudible).

4 AUDIENCE: (Inaudible).

5 MIKE SCHREINER: (Inaudible). I contacted
6 (inaudible) and I said, look, this is what they sent
7 me, this is the shit they sent (inaudible).
8 (Inaudible) same thing. You need to fix it. But if
9 you're doing it yourself, you're (inaudible). And
10 that's what I'm saying, I don't know if you do
11 international, I don't care if you do domestic -- she
12 proved my point -- you better have somebody that can
13 argue on your behalf. (Inaudible) containers and
14 you're stuck with them. So you can learn from your
15 own mistakes, you can learn from somebody else's.
16 (Inaudible) get stuck with these containers. Because
17 I've seen that time and time and time again
18 (inaudible) it's the same thing.

19 And who's going to (inaudible). You've got
20 to know what your time frames are going to be with
21 manufacturers as well. Consistent. We had a lady
22 that came to this training, now she actually did
23 (inaudible). Her and her family ran a (inaudible)
24 school, so they actually (inaudible). (Inaudible)
25 because they (inaudible). So (inaudible)

1 manufacturing it. They (inaudible) how well it was
2 going to do. She didn't know what she was doing.

3 So they ordered a bunch from the
4 manufacturer in (inaudible), had a whole shipment
5 (inaudible) like hotcakes. They sold out of their
6 inventory in about a month and a half. When they were
7 starting to see their inventory (inaudible) so the
8 last week that they knew they were going to have it,
9 she placed another order. Two and a half months it
10 took for them to get them a second order. Now, she
11 was out of that inventory for two and a half months
12 because (inaudible). (Inaudible) because she kept on
13 running out of inventory. (Inaudible) she was
14 spending 62 percent of her profit margin every month
15 trying to market because she had (inaudible).

16 So that's what I'm saying, you've got to
17 know those manufacturers. You've got to have somebody
18 (inaudible) tell you, hey, it's going to (inaudible).
19 You need to know what time frame (inaudible).
20 (Inaudible). So I don't care if you go domestic or
21 foreign, guys, you've got to have people on your side
22 (inaudible). (Inaudible).

23 All right. So let me show you how to get
24 out of (inaudible). All right. So (inaudible)
25 doesn't want you guys to see this. (Inaudible). Now,

1 when you get on here, guys, you can decide. So what I
2 did, I did a whole search on flexible garden hoses.
3 And here's the reason I did this. I thought hoses
4 were seasonable. (Inaudible) places like Florida
5 where you guys use hoses year-round. In Utah, we
6 (inaudible). So I never knew that hoses sell all the
7 time. But everything (inaudible). Quite a bit,
8 right? Right. You drive over them in the driveway
9 (inaudible). (Inaudible) season, they freeze, they
10 crack, right, they split. We have to buy new ones.
11 (Inaudible). So I did a flexible hose search.

12 Now, when you do this on Alibaba -- and this
13 is most manufacturing sites. You'll see that you can
14 pick the (inaudible) or the standard, everything you
15 want to look for, it is all the manufacturer's
16 information, the kind of stuff you're looking for, all
17 of the different things.

18 So let me show you a couple things here on
19 (inaudible). I mean, you can also decide (inaudible).
20 So you can pick and choose what you (inaudible)
21 manufacturing, excuse me, what are all the things
22 manufactured -- you can decide, all right, what
23 country, you can (inaudible) the area, the types of
24 suppliers. So when it comes to types of suppliers,
25 the biggest thing that most people see on here is this

1 one right here. Can you guys see what that is? That
2 is a gold supplier emblem. Do not put a ton of faith
3 in a gold supplier emblem. I have not seen a
4 manufacturer on Alibaba that did not have the gold
5 supplier emblem. There is a fee that they pay for it.
6 It's kind of like (inaudible). You want to join
7 (inaudible), there's a fee. You want to be
8 (inaudible) fee. That's all there is to it. Okay?
9 So don't put a whole lot of faith in that.

10 This, however, is a big deal. This is their
11 response rate. Now, here's another thing I'll tell
12 you, do not get sucked in by the marketing from the
13 suppliers. (Inaudible). That's (inaudible) says
14 2017, Amazon bestseller (inaudible). Do you really
15 think that's Amazon's bestseller? Yes or no?

16 AUDIENCE: No.

17 MIKE SCHREINER: (Inaudible). It's not. So
18 it's simply their own marketing, okay? But look at
19 this, what the response rate is, Alibaba tracks the
20 response rate just like Amazon does, meaning these
21 guys have 48 hours to respond to their buyers, whether
22 it's a shipping problem or whether it's a (inaudible)
23 problem, no matter what it was, they have 48 hours to
24 respond. Ten percent might as well be zero.

25 So here's the way I look at this, right?

1 These guys are saying they're the Amazon bestsellers.
2 They've been in position for a year. Now, here's the
3 thing. I told you guys yesterday when these
4 manufacturing plants over in Asia (inaudible) right.
5 Do you think that company is (inaudible)? Yes or no?
6 So I need to (inaudible) for a year.

7 AUDIENCE: (Inaudible).

8 MIKE SCHREINER: (Inaudible). So what
9 happens is (inaudible) right? Companies (inaudible)
10 issues and problems and (inaudible). Same company,
11 right? (Inaudible). (Inaudible) they just re-
12 released it. Same thing. Now (inaudible) right?
13 It's the same thing, guys.

14 So here's what (inaudible) got to look at
15 this, though. If I was in business for one year, I
16 would want to make sure, especially if I'm marketing
17 myself as an Amazon bestseller, I would want to make
18 sure I'm taking care of every one of my customers.
19 Would you? Yes or no? And they've got a 10 percent
20 response rate as opposed to this second one that's got
21 seven years under that same name and they've got a
22 94.8 response rate. This is the kind of stuff you've
23 got to look at. Every company will let you know what
24 they're tracking. So 94 percent, that tells me
25 they've been in business for seven years and they're

1 taking care of their customers versus these guys who
2 have been in business for a year and they're not
3 taking care of their customers. See what I'm saying?
4 So, again, you've got to watch that stuff.

5 So just because they've only done it for a
6 year doesn't mean I won't do business with them. But
7 at 10 percent, I would never do business with them.
8 Because that means if there's a problem with my
9 containers, if there's a problem with my shipping or a
10 problem with the product, I'm never going to
11 (inaudible).

12 AUDIENCE: (Inaudible).

13 MIKE SCHREINER: I don't.

14 AUDIENCE: (Inaudible).

15 MIKE SCHREINER: (Inaudible). I've listened
16 to a lot of you guys (inaudible). So that's what I
17 was talking about the gold member. Again, it's just a
18 fee you pay (inaudible) that's all it is. So don't
19 put a lot of faith in it. Now, if they weren't a gold
20 member, I would never do business with them. But just
21 because they have that doesn't mean anything, right?
22 They're just paying a fee. That's all there is to
23 it.

24 Trade assurance, does anybody know what
25 trade assurance is? Do you know (inaudible)?

1 AUDIENCE: (Inaudible).

2 MIKE SCHREINER: Yeah. What it's supposed
3 to do is create trust, right? You're guaranteeing
4 your money basically between a buyer and a seller.
5 Now, here's an interesting question. Who do you think
6 (inaudible) generate trade assurance?

7 AUDIENCE: (Inaudible).

8 MIKE SCHREINER: No.

9 AUDIENCE: (Inaudible).

10 MIKE SCHREINER: Credit cards. Why do we
11 think credit cards create a trade assurance?

12 AUDIENCE: (Inaudible).

13 MIKE SCHREINER: They're just that,
14 chargebacks. See when there's an issue now and people
15 can't get a hold of the manufacturer, where is the
16 second place they go?

17 AUDIENCE: (Inaudible).

18 MIKE SCHREINER: Credit cards, right? They
19 say, hey, we paid for this, I want my money back,
20 right? So the credit card has (inaudible). So credit
21 cards actually created trade assurance because
22 (inaudible) and that's what it's supposed to do is
23 protect our money as an investor, right? As a buyer,
24 it's supposed to build that trust. So if they do not
25 have trade assurance, guys, I don't care if it's

1 domestic, I don't care if it's international, if they
2 cannot offer trade assurance, do not do business with
3 them. Because you're not guaranteed, your money is
4 not guaranteed. That's what it's saying is, okay,
5 we're only going to ship to your warehouse. When it
6 ends up at the warehouse, that money is ours, there's
7 no coming back (inaudible). But up to that point,
8 because look (inaudible) who is responsible for what,
9 when. If the ship goes down and sinks, how do I come
10 out of (inaudible), right? If I have a container full
11 of (inaudible) on the ship, I don't want to be
12 responsible for it. That shouldn't fall on me. So
13 that's what this is supposed to guarantee.

14 So, again, it comes under the (inaudible)
15 because I got to make sure that I'm not responsible
16 for something I don't have control over because
17 (inaudible) never take control of that stuff, I'd
18 never (inaudible) once (inaudible). So we've got to
19 make sure that people have that trade assurance.

20 And then lastly, the supplier assessment.
21 Does anybody know what supplier assessment is?
22 Supplier assessment. Okay, what supplier assessment
23 is actually a third-party company validating that the
24 company is a company. But all they're validating --
25 so it's a -- see, what happened, when Alibaba first

1 came out, they had a lot of shell companies listed on
2 Alibaba. You guys know what shell companies are,
3 yeah? So, I mean, there were no plants, there was
4 nothing there, so they built a name and put a listing
5 on there to start selling products, but there was
6 nothing to (inaudible). So they were just taking the
7 money and running.

8 So what happened -- now, this was -- this
9 was when Alibaba first came out, right? So people
10 couldn't follow up, so they were flying over to Asia
11 to find these plants. They show up where the address
12 is supposed to be and it's bare land, right, or it's
13 somebody's house. So that's what the supplier says
14 (inaudible) it's a third-party company. But that
15 third-party company, all that means is a seller went
16 out and saw that there isn't (inaudible) and in this
17 case, they're making (inaudible). Not that the fraud
18 is there, not that it's not counterfeit, not that
19 they're using Goodyear rubber, it just says if there's
20 a plant here and they make hoses. (Inaudible). Those
21 supplier assessments are good. So if you get that
22 license, it's good from 2011 to 2031. So they can
23 make (inaudible) two years ago that's when the
24 assessment was done and now we're making teddy bears.

25 (Inaudible) for that, but it's just that

1 they're not -- they're not inspecting the product.
2 It's not like here. In the States, when you get
3 domestic (inaudible) supplier assessment, they're
4 making sure that everything is up to code, that it's
5 manufactured like it's supposed to be (inaudible) and
6 they're saying (inaudible). With these guys, it's not
7 that way. So it's just a third-party company saying
8 that they did (inaudible).

9 Now, here's the other thing I want to tell
10 you (inaudible). (Inaudible) buy a bottle of water
11 (inaudible) these guys when you get a sample. So
12 let's just say (inaudible) is what you want for
13 (inaudible). And I don't promote them (inaudible).
14 They're very (inaudible), right? So when it comes to
15 that, if they say (inaudible) rubber hose, then I want
16 a sample. I don't know if it's (inaudible) rubber.
17 I'll take it somewhere to -- I'll pay the money. I'll
18 take it somewhere and get it tested to make sure it's
19 Goodyear rubber.

20 Once I get it tested and it is, I'll place
21 my order. If they send out 10,000 hoses and it's not
22 Goodyear rubber, you better believe I'm going back to
23 them and say, look, you guys said it was Goodyear
24 rubber, I tested it (inaudible) these ones are not.
25 You better fix it. See what I'm saying? I got a leg

1 to stand on now.

2 But if they say (inaudible) yep, okay,
3 sweet, and it's not (inaudible), right? (Inaudible)
4 are Goodyear rubber. That doesn't mean (inaudible).
5 So that's why I say, guys, always get a sample. And
6 if you're not sure it is what it is, get it checked,
7 especially with Alibaba, especially anywhere overseas
8 really because you just don't know. So once you do,
9 you should have a (inaudible).

10 AUDIENCE: (Inaudible).

11 MIKE SCHREINER: So, again, if they don't
12 have (inaudible), but just because they have one
13 doesn't mean (inaudible). They have to fit in all
14 those categories, right? They have to be a gold
15 supplier; they have to be around longer than one year,
16 right? They have to have (inaudible) customer care
17 (inaudible). They have to have trade assurance. So
18 all of that has to play a role.

19 AUDIENCE: (Inaudible).

20 MIKE SCHREINER: No. Anything (inaudible)
21 want to pay for it (inaudible). There's a reason.
22 (Inaudible). Now, most of the suppliers will give you
23 a sample. Some of them are going to charge because
24 you're going to air freight these suckers over
25 (inaudible). (Inaudible) if I'm going to dump \$20-,

1 \$30-, \$40,000 on a (inaudible) I need to know I'm
2 getting what I want to get. If they say we don't do
3 samples, okay, thanks for your time. Even domestic,
4 it's the same thing. Yeah, because even domestic, I
5 want to know exactly what it is I'm getting.

6 All right. So number one, guys, when it
7 comes to -- oh, any other questions on the -- on
8 figuring out Alibaba or any of these others?

9 (No response.)

10 MIKE SCHREINER: Okay. Again, I'm not
11 saying don't use them, I'm not saying to use them.
12 All I'm saying, guys, is you've got to verify and
13 validate everything you do. And I don't care if you
14 (inaudible). I don't care if it's domestic or
15 international, verify and validate. Okay?

16 All right. So when it comes to branding,
17 this is something we've got to be able to take
18 (inaudible). So the biggest thing when it comes to
19 branding is, number one, we've got to know our buyers.
20 You have to know your targeted audience and go after
21 them. Do marketers now do that same thing? Yes or
22 no? Advertisers don't (inaudible) do they? Think
23 about what we watch on TV, guys. Every morning, when
24 the kids are watching cartoons, what commercials are
25 playing? What's being sold?

1 AUDIENCE: (Inaudible).

2 MIKE SCHREINER: Yeah, toys, right, cereals,
3 right, all of that stuff. In the afternoons, they're
4 selling (inaudible). In the evening, they're selling
5 (inaudible) for parents and adults, right? Guys,
6 there's a reason. (Inaudible) just happen by
7 accident, right? There's a reason these guys market
8 when they market.

9 You need to know who your target audience is
10 and go after it. Don't be -- don't be shy about it,
11 all right? Just go after it. If you know you've got
12 a product that's just for women, market it to women.
13 If you've got a product for young kids, market it to
14 those kids. We have to know who we're going after and
15 we've got to target them (inaudible).

16 We want to design it -- so when it comes to
17 our brand names when we're branding a product, these
18 are all the things that play a role. You've got to
19 come up with a great name, something catchy, not
20 confusing, right? You want to have a great
21 (inaudible), a good website. You want to have a good
22 design. All of that stuff is going to play a role
23 when you know your market because (inaudible). I'm
24 just (inaudible). It's an awesome (inaudible) and we
25 just want (inaudible). (Inaudible). So that's

1 (inaudible). Get to know (inaudible) something that
2 everybody reads and (inaudible) yeah, that's awesome.
3 They know exactly what it is, right? You hear
4 Grillaholics and you're not like, what are they
5 selling, bath mats?

6 And this also goes back to (inaudible).
7 Now, here's the (inaudible) thing. Their Amazon store
8 -- do you think their Amazon store itself is called
9 Grillaholics? Yes or no?

10 AUDIENCE: (Inaudible).

11 MIKE SCHREINER: No. Their website is
12 called Grillaholics, but they sell multiple products
13 on their Amazon store. (Inaudible) is the
14 Grillaholics (inaudible). Now, Grillaholics has not
15 released their line to let anybody else sell it yet.
16 But they have their own website, they have their own
17 -- they're doing it in other ways, right?

18 But on their Amazon store -- their Amazon
19 store is not called Grillaholics because they sell
20 multiple products. Grillaholics is (inaudible). But
21 on their website, it's all Grillaholics because
22 (inaudible). When you go to the Grillaholics website,
23 you'll see links to the Amazon store, but you'll also
24 see links to other websites. On their other websites,
25 they're selling all of their other product lines.

1 I'm telling you this because if you brand a
2 product line, if you develop a whole new product line,
3 when you build the website for that line, you want to
4 keep the name congruent throughout. But don't fall in
5 the trap again of going to the Grillaholics website
6 and they're selling bath mats because the same
7 (inaudible). Well, I thought this was Grillaholics,
8 is this a Grillaholics bath mat, right? Do my towels
9 have to say Grillaholics -- you see what I'm saying?
10 So when it comes to that (inaudible) you want to keep
11 it congruent, okay?

12 So some of the biggest branding mistakes
13 that we've seen, number one, confusing names, right?
14 You're not really sure what it is or what it isn't and
15 what it's trying to sell. Number two, it's confusing
16 the packaging, right? People make it so busy and try
17 to be so creative, it comes right back to what I was
18 saying yesterday, KISS. Guys, when it comes to
19 branding your brand, keep it simple, okay? The
20 simpler it is (inaudible) only creative, it's how we
21 market it. If it's too (inaudible) it's not congruent
22 like I was talking about, a short-term vision and you
23 don't see (inaudible), right?

24 Grillaholics (inaudible). They knew they
25 wanted to do other product lines. (Inaudible) hey, we

1 can grow that company and now they've started
2 releasing shredding claws, right, grill mats
3 (inaudible) makes sense. (Inaudible) makes sense.

4 It's not (inaudible) to change. Here's the
5 thing, guys. Do markets change? Yes or no?
6 (Inaudible).

7 AUDIENCE: Yes.

8 MIKE SCHREINER: Yeah. So when we get stuck
9 saying this has worked for us over the last ten years,
10 it's going to continue to work, but too many people do
11 that, don't they? (Inaudible) this is different.
12 Yeah. So that's what I'm saying, don't get stuck
13 there.

14 So here's another great example. How many
15 of you have ever heard of Grandma's Secret Spot
16 Remover? Let me have a show of hands. Okay, yeah.
17 Now, from a branding standpoint, it's a little
18 confusing, it's a little busy, I'm not a big fan of
19 it, okay? (Inaudible) did this, but it worked. Part
20 of the reason this product worked is everybody's
21 belief that -- is the fact that grandmas have secrets,
22 don't they? Okay? We all love them.

23 In fact, there's a story of this guy who got
24 married and his wife was cooking a ham. She cut the
25 ends off the ham. He's like, why did you cut the ends

1 off the ham? She says, oh, it makes the ham taste
2 better. What? She said, no, it does (inaudible). He
3 said, who told you that? She said, oh, my mom told me
4 that. So he called the mom and he says, hey, why do
5 you cut the ends off a ham, and the mom said, oh,
6 because it makes it taste better. He's like, that
7 doesn't make sense. He says, I've eaten ham my whole
8 life. He says, who told you that? She says, my
9 mother. The great-grandmother was alive. He called
10 the great-grandmother and says, why do you cut the
11 ends off a ham? And she said, because when I cook, it
12 won't fit in my oven.

13 (Laughter.)

14 MIKE SCHREINER: That was the reason she cut
15 the ends off the ham. But grandma's ham was awesome,
16 right? So everyone assumed their belief (inaudible)
17 you cut the ends off the ham, it makes the ham taste
18 better. So it's the same thing. Everybody knows
19 grandma's got a secret (inaudible), right? Now, the
20 (inaudible) is it works. It works well, right? And
21 those of you who have used it -- has anyone used it?
22 (Inaudible). It works, doesn't it? It is phenomenal.
23 And it's a great product. You can drink it out of the
24 bottle and not die. I don't (inaudible), but it's a
25 natural (inaudible) product.

1 Now, this is their Amazon store. Here's the
2 cool thing, too. You can see right (inaudible). They
3 have it set up on a subscription as well. So you buy
4 one -- you buy one set of these bottles, it's 10
5 bucks; if you buy a six-month supply, it's (inaudible)
6 and if you buy a year supply, it's \$7.50 or 7 bucks
7 (inaudible). So, again, they do that tiered pricing
8 for (inaudible) because that will guarantee that
9 you're (inaudible) for that product. But it works.
10 That's the best part about this.

11 (Inaudible) but everybody knows grandmas
12 have secrets, right? So we want to have that kind of
13 a secret thing. So I think if this product was called
14 Bob's Secret Spot Remover, it wouldn't have gotten so
15 big. But here's the cool thing, too. Grandma's
16 Secret Spot Remover got picked up by Walmart, Target,
17 CVS, I mean, all of these brick-and-mortar stores
18 because it's a great (inaudible) product.

19 Now, one of my favorite things about their
20 product though is there's a real grandma. She lives
21 actually in Florida, right here in Florida. Her
22 grandson -- I think it was her grandson or her nephew
23 -- I can't remember who it was -- he was over there
24 one day and she was mixing up this cleaning fluid. He
25 said, what is that? She goes, oh (inaudible) cleaner,

1 I've used it my whole life. And (inaudible) it was
2 awesome. He was like, Grandma, we should start
3 selling this. And that's how it came about.

4 So I (inaudible) because (inaudible) right?
5 Like this is (inaudible). Aunt Jemima. There's a
6 real Aunt Jemima, right? There's a ton of those. So
7 for me, I thought that was cool because there's
8 actually a real Grandma. (Inaudible) guys. But the
9 name is awesome, right? Grandma's Secret Spot
10 Remover. It is a good product and it works. It's so
11 cool.

12 Oh, so (inaudible). (Inaudible). Let's
13 take a quick ten-minute break -- let's take a
14 15-minute break and then I'll get into (inaudible).

15 (Various background conversations.)

16 (New audio file: Day 3 - Part 2.wma)

17 (Various background conversations.)

18 MR. TYNDALL: I have a quick question. How
19 long does it normally take to set up a private label
20 like this?

21 MIKE SCHREINER: There's not a quick answer
22 on that one.

23 MR. TYNDALL: Okay.

24 MIKE SCHREINER: It really depends on what
25 you're doing, what the manufacturer can do, what they

1 (inaudible) in place, yeah.

2 MR. TYNDALL: Okay, okay. But like just
3 general like time frame, like can I --

4 MIKE SCHREINER: You can do it in a month.

5 MR. TYNDALL: Really?

6 MIKE SCHREINER: I mean, you really can.
7 We've done them quicker than that.

8 MR. TYNDALL: Oh, yeah. Okay.

9 MIKE SCHREINER: So when you find a
10 manufacturer that's already doing something, all
11 you're doing is branding it. You can get all that
12 done in a week if you (inaudible).

13 MR. TYNDALL: Okay, yeah.

14 MIKE SCHREINER: But if you're coming up
15 with a new product, there is a lot of the R&D that's
16 got to go into place --

17 MR. TYNDALL: Okay.

18 MIKE SCHREINER: -- because you've got to
19 make sure, okay -- just like the one thing that we're
20 doing now for my kids and that tramp. It's -- I mean,
21 we've been at it now for already a month and it's just
22 -- it's a slow process.

23 MR. TYNDALL: Okay.

24 MIKE SCHREINER: We've got to find what's
25 going to work and there's a lot of testing to make

1 sure, hey, this is going to be okay or --

2 MR. TYNDALL: Huh. Now, can -- is the coach
3 going to go over that with me?

4 MIKE SCHREINER: Mm-hmm.

5 MR. TYNDALL: Okay.

6 MIKE SCHREINER: (Inaudible). It's a
7 private label concierge services. That's what they
8 do.

9 MR. TYNDALL: Okay. And you guys are
10 successful with it or --

11 MIKE SCHREINER: Yeah, yeah.

12 MR. TYNDALL: Okay.

13 MIKE SCHREINER: We have -- I mean, I'll
14 show you a ton of --

15 MR. TYNDALL: Okay.

16 MIKE SCHREINER: -- I'll show you a bunch of
17 them today.

18 MR. TYNDALL: I mean, that would be great,
19 yeah. Yeah, just so I get kind of like an idea.

20 MIKE SCHREINER: Yeah. I'll show you --

21 MR. TYNDALL: Because I think that's kind of
22 where I want to be is more in the private label.

23 MIKE SCHREINER: Everybody does, yeah.

24 MR. TYNDALL: Yeah.

25 MIKE SCHREINER: Because the money you make,

1 it's disgusting.

2 MR. TYNDALL: Yeah.

3 MIKE SCHREINER: It really is.

4 MR. TYNDALL: Yeah.

5 MIKE SCHREINER: The money that we make on
6 that stuff.

7 MR. TYNDALL: Oh, really? Okay. Huh.

8 MIKE SCHREINER: And I got -- I can -- the
9 cool thing about it, I can sell about a third of my
10 private label line that I sell on my wholesale line
11 and I'm making more money.

12 MR. TYNDALL: Okay, huh.

13 MIKE SCHREINER: Because my return, I mean,
14 we're making 60 plus percent on every one.

15 MR. TYNDALL: Okay. And do you -- do you do
16 it in your same Amazon store?

17 MIKE SCHREINER: Same store.

18 MR. TYNDALL: Same store, okay.

19 MIKE SCHREINER: Yeah.

20 MR. TYNDALL: (Inaudible) you only have
21 to -- you can only have one.

22 MIKE SCHREINER: Right. Well, you can have
23 multiple.

24 MR. TYNDALL: Okay.

25 MIKE SCHREINER: But you have to have a

1 whole reason why. You (inaudible).

2 MR. TYNDALL: Oh, okay.

3 MIKE SCHREINER: So if I created like a
4 Grillaholics line --

5 MR. TYNDALL: Okay.

6 MIKE SCHREINER: -- I would probably set up
7 a whole separate store --

8 MR. TYNDALL: Okay.

9 MIKE SCHREINER: -- for that line.

10 Grillaholics didn't. They just had one because they
11 had their own website. They started differently.

12 MR. TYNDALL: I see, okay.

13 MIKE SCHREINER: But, yeah, for me, a
14 private label line, it's not a new product. Now, when
15 we do that tramp, we may do something. Because if we
16 -- if we tie a lot of things together to that, then we
17 may.

18 MR. TYNDALL: Okay.

19 MIKE SCHREINER: But right now, I'm just --
20 we're looking at just the one.

21 MR. TYNDALL: Okay. Cool. Well, you're
22 sounding better, too.

23 MIKE SCHREINER: Thank you.

24 MR. TYNDALL: Yeah. I was getting worried
25 about you yesterday. I'm like --

1 MIKE SCHREINER: I thought I was going to
2 lose it. I thought it was going to go.

3 MR. TYNDALL: Yeah. Wow.

4 MIKE SCHREINER: I'm glad it didn't because
5 I have a ton of information to say.

6 MR. TYNDALL: Yeah, yeah. Well, thanks.

7 MIKE SCHREINER: Yeah, yeah.

8 MR. TYNDALL: All right.

9 (Pause. Various background conversations.)

10 UNIDENTIFIED MALE: This lady here, she made
11 an interesting point. She's a rep for a lot of
12 companies and she said, you know, the American
13 companies (inaudible) -- the American companies
14 manufacture all their stuff in China. And she said
15 (inaudible) you get into trouble (inaudible).

16 MR. TYNDALL: Hmm.

17 UNIDENTIFIED MALE: And she's evidently
18 (inaudible) a lot.

19 MR. TYNDALL: Hmm.

20 (Pause. Various background conversations.)

21 MIKE SCHREINER: All right, guys, go ahead
22 and find your seats.

23 (Pause.)

24 MIKE SCHREINER: All right, all right. They
25 wanted me to remind you guys (inaudible). Those of

1 you that want to turn these in (inaudible) put them on
2 the back table back there so they (inaudible) if
3 that's something you wanted to do. (Inaudible). You
4 can turn it into that back table at any time. Just
5 put it on that table (inaudible).

6 Okay. So how many of you in the room have
7 ever heard of BlendTec blenders?

8 AUDIENCE: (Inaudible). What is it?

9 MIKE SCHREINER: BlendTec blenders. So the
10 guy that invented BlendTec -- he didn't invent
11 BlendTec. The guy that invented the name BlendTec
12 blenders, what he did was he looked around America and
13 he said, you know what this country really needs, a
14 \$350 blender. That's what this country needs.

15 Now, here's the thing about BlendTec
16 blenders. Everything before that time that was being
17 sold was (inaudible) all the blenders were selling for
18 20 to 30 bucks a pop. He let one out for \$350 apiece.
19 Now, here's the thing, though. BlendTec blenders are
20 not new. Commercial use for these blenders has been
21 used for years, right? So everything smoothie shop,
22 all the Orange Juliuses, that's the kind of blenders
23 that they use. He was the first guy to take it now
24 residential.

25 Now, this guy was brilliant in his

1 marketing. He knew his target audience. His target
2 audience, he went after the baby boomers. Why do you
3 think he went after the baby boomers?

4 AUDIENCE: (Inaudible).

5 MIKE SCHREINER: They're more health-
6 conscious. What else?

7 AUDIENCE: Money.

8 MIKE SCHREINER: Yeah, at the time who had
9 the money in the country? Ten years ago, it was all
10 baby boomers, right? They're the ones that had all
11 the money. Nobody else is going to spend 350 bucks on
12 a blender, but the baby boomers would.

13 AUDIENCE: (Inaudible).

14 MIKE SCHREINER: Huh?

15 AUDIENCE: (Inaudible).

16 MIKE SCHREINER: Yeah. Well, he marketed,
17 though, to the baby boomers. Now, we understand, too,
18 that generation, when products were made, they were
19 made for what?

20 AUDIENCE: To last.

21 MIKE SCHREINER: To last, right? Today, we
22 live in a disposable world, don't we? Guys, there are
23 manufacturers of cars right now and there have been
24 for years where they're making disposable cars. And
25 here's what I mean. There's a couple of them -- I

1 know even when I was renting, what, 15 years ago, when
2 I was still renting on cars, you couldn't replace the
3 suspension on them. They did not make replacement
4 parts. So when that suspension wore out, the car went
5 (inaudible) got a new car.

6 So these blenders, that was the whole thing,
7 they were built to last. And they are powerful, guys.
8 You can cut a tree down with them, right? In fact, he
9 did a whole push to the baby boomers. Now, the funny
10 thing is, this guy that created it hates millennials.
11 He doesn't even hide it. Have you guys ever seen the
12 YouTube videos (inaudible)? Oh, I got to show you
13 this.

14 AUDIENCE: (Inaudible).

15 MIKE SCHREINER: Do you have one? Yeah, you
16 have -- we have -- well, we use it to trim our tree,
17 but (inaudible).

18 AUDIENCE: (Inaudible).

19 MIKE SCHREINER: So watch this video that he
20 does and you'll see who he's going after. So when I
21 talked about we've got to know who our end buyer is,
22 right, and you go right after them, he did. He went
23 right after these guys. In fact, just pay attention
24 real quick because it starts to the music (inaudible).

25 (Music played.)

1 MIKE SCHREINER: What does that remind you
2 of?

3 AUDIENCE: Price is Right.

4 MIKE SCHREINER: Price is Right (inaudible).
5 That's what they grew up on, right? That's what they
6 watched. The music, the everything.

7 (Video playing.)

8 MIKE SCHREINER: So that's the (inaudible).

9 (Video playing.)

10 MIKE SCHREINER: Okay. Did you guys hear
11 what he just said? Are you having a hard time
12 deciding which phone to get, right? Neither are what?

13 AUDIENCE: We.

14 MIKE SCHREINER: We. Not I, but he's put
15 himself right with the baby boomers. Now, the funny
16 thing about this that he does -- if anyone has ever
17 seen this series -- he's showing how powerful this
18 blender is, right? So they were blending up marbles,
19 everything. The reason he did this promo right here,
20 his grandson came to him and said, Dad -- or Grandpa,
21 would you please tell my dad that he needs to buy me
22 the new iPhone. And the grandson was seven years old.
23 He's like, what the crap do you need a phone for,
24 right? He's like, I didn't know you had a phone.
25 What do you need the new one for?

1 So he does this -- he's going to blend up an
2 iPhone 6. And you know everybody in the world
3 watching this on YouTube was like, he's not really
4 going to do that to that phone, is he? But I told you
5 guys, my daughter, all right, 17 years old
6 (inaudible). You've got the (inaudible) what do you
7 need (inaudible). Well, it's better, right? But
8 that's the (inaudible) isn't it, right? They have to
9 have the newest and the best stuff.

10 So this is (inaudible), but this all came
11 about because of his grandson.

12 (Video playing.)

13 MIKE SCHREINER: You know every teenager in
14 the world right now is like no.

15 (Laughter.)

16 (Video playing.)

17 MIKE SCHREINER: Now, the best part about
18 that that I love is you know every kid is watching
19 that. They're saying the mute button. They have no
20 idea what he's talking about, right? All of us are
21 going like, yeah, mute (inaudible).

22 (Video playing.)

23 MIKE SCHREINER: Wait until it gets up to
24 speed.

25 (Laughter.)

1 MIKE SCHREINER: This is the best part
2 (inaudible).

3 (Video playing.)

4 (Laughter.)

5 MIKE SCHREINER: (Inaudible). Anyway, he
6 does a whole YouTube series on this. It was
7 brilliant. And I'll tell you what, guys, they sold
8 millions of them. And it was just -- it was
9 brilliant. But he knew -- he knew exactly who his
10 target market was and he went after them. He didn't
11 even hide the fact that he was going after them.

12 Now, there was another company that stepped
13 in and replaced the big (inaudible) of a company
14 called Vitamix. Now, here's the thing about Vitamix.
15 How many of you in here have heard of Vitamix before?
16 I got a lot more hands, right? Here's what's
17 interesting. Vitamix actually had that same -- their
18 blender was released before -- before BlendTec did.
19 But Vitamix didn't market it correctly. They were
20 just marketing the industrial blender for residential
21 people.

22 After they saw what Blendtec was able to do
23 with their sales because of their target market,
24 Vitamix now changed their marketing and they branded
25 it now as a family blender. So they started showing,

1 hey, if you want to eat healthier, right, make peanut
2 butter at home, here's our blender that does this.
3 He's a smoothie machine. My kids -- we have two
4 Vitamix blenders and my kids love it. They make
5 orange julius with it at home, we do make peanut
6 butter. That's what it does, right? Vitamix
7 (inaudible) copied BlendTec did, now they've surpassed
8 what BlendTec's sales were. They've got a video
9 series for kids and that company is what launched them
10 to the top. That's what sold.

11 So, again, they can talk about how it's this
12 incredible industrial blender, but it's how the videos
13 teach them. It's how you educate your consumers,
14 guys. That's why I was saying even on some of your
15 Amazon sites, you've got to put videos if you're
16 selling something that needs that education
17 (inaudible). Does that make sense?

18 But it was brilliant. 350 bucks for a
19 blender. I mean, the Vitamix is actually more than
20 that. But they work, don't they? And they are built
21 to last.

22 AUDIENCE: Yes.

23 MIKE SCHREINER: So he knew who he was going
24 after, he branded it that way. He didn't even hide
25 the fact that that's who he was going after. But it

1 worked. So don't be scared to do that, guys. You're
2 not stupid people. It's marketing. It's what you
3 should be doing. In fact, in your notes, put this,
4 100/10/2. 100 to 10 to 2. That right there, my
5 friends, is an associate's degree in marketing. If
6 you put out 100 pieces of marketing pieces, right,
7 you'll get 10 responses. Out of those 10 responses,
8 you're going to get two deals.

9 It's the same with your product lines. When
10 you guys start negotiating with manufacturers,
11 wholesalers, liquidators, you're going to reach out to
12 about 100 manufacturers, you're going to get 10
13 responses, and you'll find two good product
14 (inaudible).

15 See, it always (inaudible) because even on
16 day one we talk about credit cards. I have people
17 come up to me and they'll say, I don't know if I'm
18 comfortable with this. I'm like, just give it a try.
19 I don't think it's not going to work, I just don't
20 like being told no. Guys, this is business, right?
21 If you don't want to hear no, this isn't for you.
22 Business is not for you.

23 For me, every time I'm told no, I get
24 excited. Because I know I'm one step closer to
25 getting what?

1 AUDIENCE: Yes.

2 MIKE SCHREINER: Yes. And all I've got to
3 do is find a couple of yeses for me to make the money
4 I want to make. Make sense?

5 Guys, that's all it is is just marketing.
6 So when it comes to your private label line, know your
7 target market and go after it. Go to (inaudible).
8 That's what our marketing is supposed to do. We
9 should be reaching out to those that want what we
10 have. Any questions on that?

11 (No response.)

12 MIKE SCHREINER: Now, there is something I
13 do want to caution, too. When I talk about this
14 private label stuff, it's not always having to be a
15 new product. Okay? A lot of times when you just take
16 an existing -- just like the hose that I showed you,
17 right, we can just take the hose, change a couple
18 things. I can put a handle on there, maybe a valve.
19 Now I put my name on it. That's still a private label
20 item. Now, my manufacturer is going to (inaudible)
21 because I'm not developing a product. All I'm doing
22 is getting my name on that product. But can I market
23 that as a whole new product line? Yes or no?

24 AUDIENCE: Yes.

25 MIKE SCHREINER: Yeah. Will I get a whole

1 new ASIN number? Yes or no?

2 AUDIENCE: Yes.

3 MIKE SCHREINER: So that's what I'm saying,
4 it doesn't have to be a blender, it doesn't have to be
5 a grill, it doesn't have to be a belt. A lot of times
6 we can take -- and I'll show you some examples of what
7 our students have been able to do, where they've taken
8 an existing thing, branding it their name, they're
9 changing their marketing and going after what they
10 want to sell it for and they sell it.

11 So some of the different ways to market.
12 Number one, the photos, that kind of stuff, when it
13 comes to that marketing, guys, we've got to have that.
14 So when it comes to your private labeling, you have to
15 build your site, you have to build a sales page. So
16 again, the main photo, that is a big thing for Amazon.
17 Again, white background, minimum 1,000 pixels. If you
18 do not make it -- it's got to be zoomable. If you
19 don't meet that standard, your listing will never go
20 live. They will not list it.

21 You have to have the bullet points. You
22 have to have the other photo. You have to have that
23 stuff. Now, congratulations, guys. Now, you could do
24 it yourself if you have that availability.
25 Manufacturers will not build your site for you. Those

1 of you teaming up with us, we can build that site for
2 you. They'll do the basic site, they'll take a
3 picture, they'll add your bullet points. You're going
4 to go in and customize it. So if you want to add
5 video to it and you've got something that needs video
6 added, you got to have the videos. Put it on the
7 site.

8 I told you my son bought that RC airplane.
9 It was more expensive than the others just because it
10 showed him exactly how to use the controller. That
11 was the selling point for him. Does it work for us?
12 Yes or no? That was a long time. I'll see what
13 they're selling, but I want to see exactly what it
14 does. And that actually changed what I was going to
15 buy because I saw and I went, oh, well, that's exactly
16 what I'm actually looking for.

17 So if you've got something like that -- now
18 if you're just selling a hose, you don't need to add
19 videos. Right? But if you're doing something that
20 needs it, add the videos, guys. We've got to educate
21 our customers as well.

22 Okay, so when it comes to the different
23 advertising, pay-per-click. Now, I touched on that a
24 little bit earlier. When it comes to everything I've
25 talked about the first two days, you can validate to

1 me why you're paying to have someone click on your
2 site, right? We should be keying in the ASIN number
3 that are already (inaudible). It's just a matter of
4 doing what the Amazon rules are to win the buy box.

5 When it comes to private label, this is the
6 only time I will ever validate paying for marketing.
7 So how many of you know what lightning deals are on
8 Amazon? Really? Okay. So the lightning deals is a
9 great strategy short-term. Here's what lightning
10 deals are. How many of you go to the first page and
11 you'll see today's deals? That's what lightning deals
12 are.

13 Now, you can set that up for your product
14 lines. So you can say, hey, look, I want ten clicks a
15 day, I want 20 clicks a day, whatever it is. But
16 here's the thing you've got to remember, if you're
17 selling a product for, say, 30 bucks, when you do the
18 lightning deals, you can't sell it for 30 bucks. The
19 reason it's a lightning deal is because you're giving
20 a discount.

21 How many of you have seen where people are
22 selling a product that's usually 30 bucks and they're
23 selling it for 15 bucks? Have you guys seen that?
24 Yes or no? That's why, guys. They're trying to get
25 the sales. They've got to get the sales going.

1 The only way as a private label product line
2 that we can win the buy box, we have to have sales, we
3 have to have reviews. If you don't have those two
4 things, Amazon is not going to give you the buy box.
5 Just because you have a (inaudible) ASIN, you have to
6 prove that people want to (inaudible) the product. So
7 we have to verify and validate that people want our
8 product. So lightning deals, pay-per-click, it's a
9 good short-term fix so we can get sales and get
10 reviews.

11 Has anyone ever seen when they market a
12 product for, say, 10 bucks and it's usually 30 bucks,
13 and they say, you can buy it for 10 bucks, but you
14 have to leave us a review. Has anyone seen that?

15 AUDIENCE: Yeah.

16 MIKE SCHREINER: Yeah. You pay for reviews,
17 guys, because, again, to validate these lines, they
18 know they have to have sales and they have to have
19 reviews. Again, it's short-term. It's nothing you're
20 going to do long-term and you would never do it on
21 anything other than a white label or private label
22 product. Don't do it on your wholesale deals, don't
23 do it on your liquidators, don't do it on that stuff.
24 Definitely never do it on retail arbitrage, okay?

25 But the lightning deals are awesome because

1 you can set it up with Amazon. You can have it go for
2 as long as you want. You can say, look, I want ten
3 clicks. After ten people click on that, then it pulls
4 it. So you're managing marketing better that way.
5 Same with the pay-per-click for sponsored sites.
6 Short-term, but it will drive sales. And, again, when
7 you do that, make sure you put the caveat, hey, we'll
8 sell it to you for 10 bucks, but please leave us a
9 review. Do you think people will leave you a review
10 to get a good deal? Yes or no?

11 AUDIENCE: Yes.

12 MIKE SCHREINER: Yeah, because they want to
13 know, okay, so they'll give you this, so it's not a
14 piece of junk, it's because they want a review. Make
15 sense?

16 And then coupons, does Amazon have coupons?
17 Yes or no?

18 AUDIENCE: Yes.

19 MIKE SCHREINER: They do. But is that the
20 coupon we want to give out? Yes or no? Huh. Here's
21 what I mean, too. So we talk about our marketing. I
22 told you guys, you cannot drive your customers --
23 they're not your customers. You cannot drive Amazon
24 customers away from the Amazon site, right?

25 So here's what you do, though. How many of

1 you in here, by show of hands, have ordered something
2 on Amazon, when you got the box, you opened it up and
3 there's a thank you card in there? Have you guys seen
4 that? Yes or no?

5 AUDIENCE: Yes.

6 MIKE SCHREINER: What's usually on that
7 card? This will tell you if they're educated or not.

8 AUDIENCE: Website. They have their own
9 (inaudible).

10 MIKE SCHREINER: Website, email, phone
11 number and a coupon. That's an educated investor.
12 When you open up that box, there's a thank you card in
13 there that says, thank you for purchasing our product.
14 You flip that card over and it says, if there's a
15 problem with this, please contact us directly, right?
16 Here's our phone number, here's our email, here's our
17 website. And if they're really good, they'll put a
18 coupon in there that says, next time you come to our
19 website to buy something from us, here's 10, 15, 20
20 percent off. You can use it or you can share it.

21 My 14-year-old got his Eagle Scout award
22 last year. We ordered, off of Amazon, a sculpted
23 eagle, an eagle statue. When we sculpted that eagle
24 statue -- when I got it in the mail, I got a thank you
25 letter. In there it said, if there's a problem with

1 this, please let us know, here's our website, here's
2 our email, here's our phone number. Then they gave me
3 a 25-percent-off coupon for the next sculpture. Where
4 do you think the first place I went was? To the
5 website. I wanted to see what else they had to sell,
6 right?

7 Now, my 12-year-old is getting his Eagle
8 Scout next year. My little brother, though, his son
9 is getting his this fall. So I gave him the coupon
10 already because he wanted to get the same eagle statue
11 I got my son. So here's going to go there, he's going
12 to buy from their website, and then the deal was that
13 he gives me the next coupon.

14 Again, I never thought I'd be a coupon
15 shopper, but when I started running my own business,
16 I'm all about the coupons. I offer them to my
17 customers and I will use them every chance I get
18 because it's going to save me a lot of overhead. Does
19 that make sense?

20 In fact, here's (inaudible). I told you
21 last year my kid wanted to do an outdoor movie
22 theater, right? So we had to buy an outdoor
23 projector. Same thing, as soon as I got that
24 projector, inside there was a thank you card and there
25 was a letter. It was a personal note. It looked like

1 it was handwritten. It was printed. It was
2 brilliant. It was written and she says, my name is
3 so-and-so, I am the CFO of this company. We have
4 heard there are sometimes issues with this projector
5 getting damaged in shipping. Please plug it in and
6 let us know. If there's a problem, contact us
7 directly, we will make it right.

8 Why would I want people coming to my website
9 or contacting me directly versus going through Amazon?

10 AUDIENCE: (Inaudible).

11 MIKE SCHREINER: Not only the traffic, but
12 for me, it just validated that company is a what? A
13 real company, separate from Amazon. I already knew
14 that because I'm in this, right. But it's a real
15 company. But more so than that -- now, if there's
16 problems, is Amazon going to know about it? Yes or
17 no?

18 AUDIENCE: No.

19 MIKE SCHREINER: No. They're going to take
20 care of me for sure. If they don't, then I'll go
21 through Amazon. But I want the same thing. I don't
22 want my complaints going to Amazon because then it
23 affects my store rating, right?

24 AUDIENCE: Right.

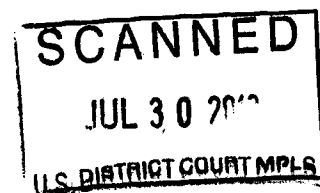
25 MIKE SCHREINER: But if they come to me

1 directly, Amazon doesn't need to know. I'll take care
2 of them, I'll build the relationship. But once I do
3 that now, I've just earned a new customer, didn't I?
4 Not for my Amazon store now, no, for my own business.
5 And, again, I want them buying from my website because
6 I'm making more money. That is awesome.

7 So we (inaudible). So, again, those of you
8 that are teaming up with us, this is part of our
9 service. When they do the FBA prep work, the thank
10 you cards, the letter is in there, the coupons, Kelly
11 will add all of that into your packaging before it
12 ever goes to Amazon. Most FBA preppers don't do that.
13 Amazon will not do that, but we can do that. We're
14 not breaking the rules. That's something we're
15 allowed to do. I'm not marketing on my Amazon store
16 to go to my website. But I can do it once they buy my
17 product. Get it?

18 When it comes to the social marketing as
19 well, guys, like I said, create separate pages for
20 your product lines. I've seen too many new investors
21 get all -- get all excited about doing social media,
22 and then on their Facebook page, they're like, hey,
23 here's my store, check my stuff out. That's bad.

24 But all of these are linked together, aren't
25 they? Right? We talked about this, didn't we, right?



1 Because every time you search for something on Amazon,
2 as soon as you go to your Facebook page, all of a
3 sudden, it's scrolling through there, isn't it?
4 You're like, wait a minute, how did they know what I
5 was looking at on there? Guys, they're all tied
6 together. So there's nothing wrong with using that
7 same (inaudible).

8 Now, do people sell stuff on Facebook? Yes
9 or no?

10 AUDIENCE: Yes.

11 MIKE SCHREINER: Has anyone here ever bought
12 anything off of Facebook? Okay, when you click the
13 buy, do you buy from Facebook or where does it take
14 you?

15 AUDIENCE: To the site.

16 MIKE SCHREINER: It takes you to the
17 website, doesn't it? Or it takes you to their Amazon
18 store. This is why we use social media, guys. It's
19 not just for marketing. We can actually make sales.

20 There's one company I'm going to show you,
21 it's one of our students that they did, there's a
22 company that they marketed the product 100 percent
23 through social media when they started, and they
24 killed -- they did -- it was a whole new product line
25 and they killed it. It was awesome. But they did it

1 through social media.

2 So they did all the marketing -- I'll show
3 you exactly what (inaudible) because they had their
4 videos, there was a Facebook page, right? They did
5 Facebook, Instagram, Snapchat, Twitter. Well, they
6 didn't really -- they did a little bit on Twitter.
7 There was one (inaudible). I can't remember
8 (inaudible). I can't remember. It's very vague. It
9 was some weird social platform. I don't know.

10 But it (inaudible). It was all through
11 social media. They didn't do any real mainstream
12 marketing; they did it all through social media. So,
13 guys, we've got to start utilizing it, but again, for
14 the right reasons. So you can link your stores
15 together. In fact, there are many platforms -- so if
16 you build a website through Shopify -- how many of you
17 know what Shopify is? How many of you know Amazon now
18 owns Shopify?

19 If you start linking all of your pages
20 together, there's so many different (inaudible).
21 Coach Stacey just recently -- when they made that
22 switch, Coach Stacey now teaches you how to start
23 tying your Shopify, your Amazon, your eBay stores,
24 your Etsy stores, all of those platforms together. I
25 want to drive my customers from my Amazon store to my

1 website, to my ebay stores, back to Amazon. I want
2 everybody buying everything they can with all of my
3 (inaudible). Make sense?

4 That also comes into affiliate marketing.
5 How many of you have seen where they have a website
6 and then it says, other products that may be available
7 on this website? Have you guys seen that? Yes or no?
8 That is affiliate marketing.

9 Now, the problem with affiliate marketing,
10 guys, it's not duplicatable and it's not predictable.
11 But it works. We can do affiliate marketing on our
12 Amazon sites as well. So Amazon is just a platform
13 that you can drive customers. So it's the same kind
14 of thing (inaudible). (Inaudible) bought this also
15 bought this, right?

16 Now, how many of you have seen right under
17 the heading, right under the main page there's a
18 little section that says, people that bought this
19 bought this as well? If you get them together, then
20 it's this much. Have you guys seen that? Yes or no?

21 AUDIENCE: Yes.

22 MIKE SCHREINER: That's an affiliate
23 marketing link. It's not the same stores more times
24 than not. It's two different stores. But it's
25 products that people have constantly bought together.

1 Now, as a seller, every time I see those affiliate
2 marketing (inaudible), I look to see if there's a way
3 I can combine those two products and do one listing of
4 both products. So here's what I mean.

5 My wife loves gardening. Why is beyond me.
6 I don't get it, right? I just -- it's not a thing for
7 me. In fact, we tried to grow corn in our backyard
8 and our dog eats that corn before we ever even harvest
9 it, right? Does anybody have dogs that eat corn?
10 Maybe it's just ours. She's (inaudible) now.

11 But when it comes down to it, she loves
12 gardening, right? (Inaudible). Now, she (inaudible).

13 (Period inaudible due to audio noise.

14 Recording volume decreases at this point.)

15 MIKE SCHREINER: (Inaudible) combine all of
16 that. So now (inaudible) one purchase. I guarantee
17 it was (inaudible). Because somebody said that people
18 were buying this apron and also buying this tool set
19 for the garden. So somebody saw that and they put
20 them together (inaudible) but now it had a new ASIN
21 number and a new (inaudible). So it's a private
22 label. And (inaudible). They were killing it. They
23 won't release to anybody else. But that's what I'm
24 talking about. That's the best (inaudible). Make
25 sense? Yes?

1 AUDIENCE: Yes.

2 MIKE SCHREINER: Okay. And then the same
3 thing, guys, once you develop a private label line,
4 you want to brand that line, but you also want to
5 brand your website. Can you have multiple websites?
6 Yes or no?

7 AUDIENCE: Yes.

8 MIKE SCHREINER: I mean, you can have as
9 many websites as you want. In fact, Shopify
10 (inaudible). Now (inaudible). Here's what I mean.
11 If I want -- I'm going to create (inaudible) private
12 label, right, other than changing the name and
13 rebranding. I'm not creative enough to create
14 something brand new. But if I was creating something
15 brand new, I (inaudible) Amazon store (inaudible). I
16 can sell millions of products on my store. They don't
17 have to be related, they don't have to be tied
18 together. There's private label in there, white
19 label, wholesale. All that stuff is all in the same
20 store. But on my websites, each individual website
21 does (inaudible).

22 So you have one website that sells
23 (inaudible) or household goods and it will drive
24 (inaudible) outdoor (inaudible) website, but the
25 website we have for all our outdoors (inaudible) right

1 (inaudible) all that stuff, it didn't (inaudible) on
2 that website. It has to be something simple.

3
4 MIKE SCHREINER: But (inaudible) drives it
5 to (inaudible). It's going to drive (inaudible). You
6 want (inaudible) developing a website for a branded
7 item and let it sell that branded item. Put links on
8 there to your other stuff. (Inaudible) start selling
9 (inaudible). If you go to Grillaholics website, you
10 don't see any bathroom products on their website.
11 There's links to their Amazon store where they sell
12 that stuff or other websites. But you see where I'm
13 going with this, right? So keep that congruent.
14 That's what I'm saying. If you're developing a line,
15 keep it congruent throughout your website (inaudible).
16 Any questions on any of that?

17 (No response.)

18 MIKE SCHREINER: All right. So YouTube
19 video, also platforms for your video (inaudible). In
20 fact, that's what really took Blendtec over the edge
21 is his YouTube series, because he could say it was an
22 industrial blender, but until he starts showing it was
23 blending up marbles, phones -- I mean, they were
24 blending everything in there, right? That's what
25 really sent them over the edge.

1 Banner ads, how many of you know what banner
2 ads are? Are they everywhere now?

3 AUDIENCE: Yeah.

4 MIKE SCHREINER: Facebook has them, right?
5 (Inaudible) ads on the sides, right? Facebook has
6 them, Amazon has them, eBay. Everyone who's got
7 (inaudible) yeah. But the thing about banner ads,
8 they're not cheap (inaudible). So make sure it's a
9 short-term thing. Use the banner ads, once you get
10 the sales, once you get the reviews, you don't have to
11 continue with banner ads. (Inaudible) awareness is
12 out there.

13 Now, here is -- this is just (inaudible)
14 tips here when it comes to a cheap way to market your
15 products. (Inaudible) reviews. Let me (inaudible)
16 show of hands, how many of you in here have friends
17 and family that shop on Amazon? So why not have your
18 friends and family going to your Amazon store, buy
19 your product and leave you a review? It doesn't cost
20 you anything, does it? Now, what I tell my family and
21 my friends, buy the product from me, leave me a
22 review. If you don't like the product, let me know,
23 I'll give you the money back. (Inaudible), right?

24 Now, here's the thing I'll tell you. Do not
25 (inaudible) your family and friends always leave

1 five-star reviews? Amazon knows no product is
2 perfect. If every review is five stars, greatest
3 product I ever bought (inaudible), they know
4 something's up. But, hey, look, there's nothing wrong
5 with having your family and friends, they all have
6 different addresses, different (inaudible) coming in,
7 right? They don't know that you're having them do
8 that. All they're seeing now is sales and they're
9 seeing reviews. Four stars, four and a half stars
10 (inaudible) five stars. (Inaudible) red flag to
11 Amazon. Everybody (inaudible), right?

12 Hey, guys, this is a great way because now
13 you'll get the reviews, you'll get the sales. When
14 you get reviews and sales, number one, you start
15 winning the buy box. Number two, you're going to get
16 organically pushed (inaudible) by Amazon. You'll move
17 into the bestsellers list, right? (Inaudible) guys
18 (inaudible). Some of those were hit hard the last
19 three months. They weren't bestsellers for the last
20 eight months, nine months. But for the last four,
21 they were the bestsellers. Because of that now, her
22 sales are going up because they're listed on the
23 bestsellers list. So you get that organic push. Now,
24 the selling happens organically. You don't have to
25 drive it; it's already there. Once that starts

1 happening, you guys, then it just takes off.

2 Bloggng, does anybody do bloggng anymore?

3 (Inaudible). It can be effective if you know what
4 you're doing. If you don't, yeah, it's (inaudible).
5 People love to share their opinion (inaudible).

6 AUDIENCE: Yeah.

7 MIKE SCHREINER: And people love to read
8 other people's opinions, right? But you've got to
9 remember, someone else's opinion doesn't make people
10 spend money and it doesn't stop people from spending
11 money. So you've just got to take that -- you've got
12 to take it for what it's worth. Bloggng can be
13 effective, but it's got to be done in the right way.

14 AUDIENCE: (Inaudible).

15 MIKE SCHREINER: Yeah, yeah. (Inaudible)
16 can be effective as well, right? In fact, you know, a
17 lot of times, it's funny because you can watch those
18 YouTube channels and really (inaudible). There's
19 people who are out there saying, hey, I do this all
20 the time (inaudible). So when I was working as
21 (inaudible) YouTube channels on how to fix
22 (inaudible). Hey, here's (inaudible), right? So I
23 would watch (inaudible) show me how (inaudible). What
24 if he was showing (inaudible) messed up the computers?
25 He's like, oh, I do this all the time, you guys should

1 do this. Well, we started noticing (inaudible) a
2 repair shop and people were bringing their cars in
3 because they tried to replace (inaudible) and if you
4 didn't do the right -- if you didn't do the right
5 sequence (inaudible) computer. So (inaudible) check
6 (inaudible). Yeah, and then you have to replace a
7 \$14,000 computer. What? That's (inaudible)
8 information. YouTube.

9 So you've got to be careful with this stuff,
10 too. Don't say it's a fact if it's not. And you see
11 it all the time. People do it all the time with
12 (inaudible). (Inaudible) Amazon. Why do you think so
13 many people are listed so far down (inaudible)? Well,
14 they just said, if I sell it at this price, I'll sell
15 more because I'm charging more. That doesn't work.

16 AUDIENCE: (Inaudible).

17 MIKE SCHREINER: Okay.

18 AUDIENCE: (Inaudible).

19 MIKE SCHREINER: Right.

20 AUDIENCE: Is that something you can
21 negotiate with them (inaudible)?

22 MIKE SCHREINER: Yeah, that's part of their
23 affiliate marketing is what they're doing. Here's the
24 thing you've got to remember, too. You've got to
25 remember a lot of stuff -- a lot of this is on YouTube

1 (inaudible).

2 AUDIENCE: (Inaudible).

3 MIKE SCHREINER: And that's from other
4 people. That is their opinions.

5 AUDIENCE: (Inaudible).

6 MIKE SCHREINER: Yeah.

7 AUDIENCE: (Inaudible).

8 MIKE SCHREINER: Yeah. (Inaudible) say this
9 is my opinion, this is what I think.

10 AUDIENCE: (Inaudible).

11 MIKE SCHREINER: The problem is that more
12 people are just saying this is a fact.

13 AUDIENCE: Okay.

14 MIKE SCHREINER: And so that guy
15 (inaudible). Well, the fact was you were doing it
16 wrong and you were ruining people's cars. But was
17 there any recompense? Did anybody go after that guy?
18 (Inaudible), right? It was a YouTube channel. He's
19 like, oh, that's what I (inaudible).

20 AUDIENCE: (Inaudible) video or whatever.
21 (Inaudible).

22 MIKE SCHREINER: Nope. So (inaudible)
23 manufacturer to do this stuff. You're not going to
24 (inaudible) 100 percent of your (inaudible) white
25 label and private label stuff. You're going to keep

1 some for your website, you're going to keep some
2 (inaudible) other stuff. So (inaudible) manufacturer
3 send you extra (inaudible).

4 AUDIENCE: (Inaudible).

5 MIKE SCHREINER: Oh, yeah, yeah. Because
6 here's the thing, too, guys. When you're doing
7 private label stuff -- now, if I'm doing wholesale, if
8 I'm doing (inaudible) shoppers, 100 percent all of
9 those (inaudible) Amazon because I want to sell this
10 stuff on (inaudible) website, right? When I
11 (inaudible). But with private label stuff, I'll set
12 up a website and that manufacturer (inaudible).
13 Because you've -- it's a whole different thing when
14 we're talking private label.

15 AUDIENCE: (Inaudible).

16 MIKE SCHREINER: Like what?

17 AUDIENCE: (Inaudible).

18 MIKE SCHREINER: Uh-huh.

19 AUDIENCE: They shouldn't (inaudible).

20 MIKE SCHREINER: Yes.

21 AUDIENCE: (Inaudible).

22 MIKE SCHREINER: Yeah. You can -- she can
23 tie it to that and say, hey, look, I bought this
24 product, here's the (inaudible) this is what
25 (inaudible).

1 AUDIENCE: (Inaudible).

2 MIKE SCHREINER: No, she (inaudible) tested
3 the product, yeah, yeah. And some of that stuff you
4 want other people to test it because, again, it
5 validates what you've been saying on private label.
6 Guys (inaudible) talked about the first two days,
7 there's no reason to spend (inaudible). They're just
8 not going to validate it.

9 AUDIENCE: (Inaudible).

10 MIKE SCHREINER: (Inaudible).

11 AUDIENCE: (Inaudible).

12 MIKE SCHREINER: Uh-huh.

13 AUDIENCE: (Inaudible).

14 MIKE SCHREINER: Okay, so this question is,
15 when it comes to the marketing (inaudible) traffic,
16 he's wanting to know is if you've got specifically
17 (inaudible) one place, would that increase our sales,
18 right? No. It really doesn't and here's why. So too
19 many of those people thought that. In fact, like I
20 talked about on Friday, Nike thought that if it was
21 exclusively at their store, more people would come to
22 their store and buy it.

23 What they found, though, is they were losing
24 millions, not thousands, millions of dollars in sales
25 every month because people had ordered online

1 (inaudible). So Nike's a perfect example of that
2 because last year they (inaudible) Amazon's
3 (inaudible) and said, yep, we'll sell our shoes. They
4 fought it and fought it and fought it, but that was
5 the problem because they were losing sales.

6 Now, Nike didn't know what it was going to
7 sell on there, right? They're not going to -- they're
8 not going to (inaudible) their shoes for you, just
9 like Apple. Apple sells their own products, but can
10 you buy Apple products on Amazon? Yes or no? See,
11 here's the crazy thing, you can buy an Apple TV on
12 Amazon, right, but what does Amazon have? They have
13 their own (inaudible), right? They've got the
14 firesticks and they've got all these other things that
15 do the same thing. So they mine their competition
16 because they're still getting a percentage back.

17 AUDIENCE: (Inaudible).

18 MIKE SCHREINER: Correct.

19 AUDIENCE: (Inaudible).

20 MIKE SCHREINER: So you'll set that up.
21 (Inaudible) you get to (inaudible). And you can go in
22 and negotiate (inaudible) because you set it and you
23 can't do it again. So you can say, look, I want 50
24 clicks this week, guys, so do ten a day, every day for
25 five days. So if you're not getting sales, you

1 (inaudible) I've got a few, but I'm not really getting
2 (inaudible).

3 AUDIENCE: (Inaudible).

4 MIKE SCHREINER: No, the star is just from
5 the rating from the people. So if everything
6 (inaudible) four stars, then let's just say -- so
7 let's say we (inaudible) right? So let's say I set it
8 at ten clicks a day for five days, right? And let's
9 say out of those ten clicks, I have two conversions,
10 right? Now, our conversion rate is actually higher
11 than that, but let's just say (inaudible) two
12 conversions, right?

13 So every person that bought from you gave
14 you a four-star rating, right? And let's just say
15 (inaudible) four stars and (inaudible) a four-star
16 rating (inaudible). So it's not always -- so Amazon
17 just wants to see sales and ratings. They don't have
18 to see (inaudible). They've just got to see sales are
19 happening and the customer ratings are happening and
20 (inaudible).

21 Because if people are buying it, Amazon
22 wants them to buy your product. Why does Amazon have
23 a big push (inaudible) buying your product?

24 AUDIENCE: (Inaudible).

25 MIKE SCHREINER: Because they're making

1 money off every sale, right? So if they were
2 (inaudible).

3 AUDIENCE: (Inaudible).

4 MIKE SCHREINER: (Inaudible).

5 AUDIENCE: (Inaudible).

6 MIKE SCHREINER: It just depends on who it
7 is. So it depends on the longevity of it as well. So
8 if you've only got four ratings and two people left
9 two stars and two people left five stars, then you're
10 (inaudible) three stars, right? They give an average.
11 So it just averages out. So every time someone gives
12 that rating, right, every time someone gives that
13 store a rating, it plays into the average. So the
14 longevity of it, the more that you have, so if you've
15 been selling -- let's just say you sold 10,000
16 products and you're at four stars, that's awesome
17 because that means that you've got more people that
18 were happy with you (inaudible).

19 AUDIENCE: (Inaudible).

20 MIKE SCHREINER: (Inaudible).

21 AUDIENCE: (Inaudible).

22 MIKE SCHREINER: It's not saying I'm going
23 to give you a good rating, but we have to have the
24 reviews. We have to have the ratings. Good or bad,
25 we need them, yeah. But Amazon knows, too, especially

1 with a new product line, they know not everything is
2 going to (inaudible). But if you get enough people to
3 (inaudible) that's when they start doing the push.
4 But that's (inaudible). This is what I said on day
5 one. Don't sell crap. If we're selling junk, then
6 everyone is going to complain about it. So you may
7 have a ton of sales and you may have ratings, but if
8 they're not good and your average is one star,
9 Amazon's going to push them, they're not going to give
10 you the buy box, you're not going to (inaudible).
11 That's it. Did that answer your question?

12 AUDIENCE: (Inaudible).

13 MIKE SCHREINER: Okay.

14 AUDIENCE: (Inaudible).

15 MIKE SCHREINER: No.

16 AUDIENCE: (Inaudible).

17 MIKE SCHREINER: No. Again, Amazon wants to
18 keep an even playing field, so they still want you to
19 (inaudible). So if they (inaudible) your labels and
20 let's just say they (inaudible), right. Let's just
21 say (inaudible) we're going to get (inaudible).
22 They're not going to (inaudible) the buy box, no,
23 because they still want me to (inaudible) because
24 they're going to make more money off of my sales
25 (inaudible). And they want an even playing field

1 because if Amazon -- every time (inaudible) buy box,
2 if I'm playing by their rules, then I'm going to quit
3 selling and Amazon knows that. Yeah, so they want to
4 keep an even playing field. This is why they don't
5 let it turn into a (inaudible). This is why they
6 don't let that stuff happen.

7 I saw another hand. No?

8 AUDIENCE: (Inaudible).

9 MIKE SCHREINER: Sizing, right?

10 AUDIENCE: The sizing (inaudible).

11 MIKE SCHREINER: And that's -- and that was
12 Nike's big thing. But let me ask you this, how many
13 of you have bought shoes online before? Okay. How
14 many of you went in the store and tried a shoe on
15 before you (inaudible) buy it? And that's what
16 happens. People are like, man, I really like this
17 shoe, they'll go to a Nike store, they'll try it on,
18 and then they'll go back home and buy it online
19 because (inaudible) discounts (inaudible) getting a
20 better (inaudible).

21 AUDIENCE: (Inaudible).

22 MIKE SCHREINER: Well, that's the problem is
23 most people, if they can't talk like this, they don't
24 want to talk, do they? That's the problem with this
25 young generation. They can't talk. Like for us, I

1 know -- this is just me, but my kids aren't allowed to
2 have -- we have no technology at home (inaudible)
3 because I want my kids to be able to talk because most
4 kids, if they (inaudible) to their friends
5 (inaudible). We have an antisocial environment going
6 on. So a lot of people (inaudible).

7 AUDIENCE: (Inaudible).

8 MIKE SCHREINER: Yeah. (Inaudible) are
9 horrible when it comes to dresses, when it comes to
10 like suits and stuff because sizing changes over
11 there, too, right? So the inventory -- so (inaudible)
12 I want to go over this just because of that because
13 you can have a size 2, 3, 4 in a dress is one size and
14 sizes 6, 7, 8, 9 and 10 (inaudible). So all of
15 (inaudible) -- that's why clothing is tough. Now,
16 here's what you do though. Amazon has got into
17 clothing manufacturing. Have you guys seen that
18 Amazon offers a custom clothing line now? Has anyone
19 seen that? Yes or no?

20 Yeah, they offer a custom clothing line.
21 Now, here's the (inaudible). How many now have seen
22 Nordstrom's does a custom clothing line and you can
23 now order online? In fact, there's an app that just
24 came out not too long ago that you can actually do the
25 app -- it has a camera. You set it so far away. You

1 stand there and it's supposed to measure your body and
2 then it makes custom (inaudible). I (inaudible). I
3 have a guy that does mine. But it's amazing to me.
4 When Amazon starts doing stuff like that, for me, it's
5 (inaudible).

6 AUDIENCE: (Inaudible).

7 MIKE SCHREINER: Mm-hmm. And that's how a
8 lot of clothing (inaudible). They just say, great,
9 order these dresses (inaudible). Yeah. But most of
10 the time, especially when it comes to shoes, people go
11 to the store and try it on, find out the size, because
12 Nike does it different, right? So most of my dress
13 shoes are ten and a half, but when I buy my Nikes,
14 they're nine and a half or ten. Their sizes are
15 different.

16 AUDIENCE: (Inaudible).

17 MIKE SCHREINER: So (inaudible). Just like
18 I did yesterday (inaudible).

19 AUDIENCE: (Inaudible).

20 MIKE SCHREINER: (Inaudible). In fact, for
21 those of you teaming up with us, they take this to a
22 whole other level when it comes to private labeling
23 because you've got to (inaudible) and (inaudible)
24 manufacturing, for R&D, for shipping, and all of that
25 (inaudible). Like I said, guys, Alibaba (inaudible)